THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

May 10, 1947

CHINA'S FOREIGN LOANS

AN EDITORIAL

How To Stop Hypo-Inflation

By C. Y. W. Meng

Education Great Failure

By C. C. Liu

Geneva Conference—And China

By Lin Wo-chiang

CENSORSHIP IN TAIWAN

AN EDITORIAL

VOLUME 105 PRICE CNC$3,000 NUMBER 11

Keep rolling with

B.F.Goodrich

FIRST IN RUBBER

Sole Distributors:

THE CHINA MERCANTILE CO., LTD.

P. O. Box 476
97 Yuen Ming Yuen Road
SHANGHAI
Telephone 13312

via CGRA

TODAY, as always, *Globe* is continuing to play its vital role in strengthening the cultural and economic ties among the peoples of the Pacific by assisting the *Chinese Government Radio Administration* in better radio communications.

•

GLOBE WIRELESS LIMITED

51 Canton Road, Shanghai
Telephone 15036

Via GLOBE

ANNOUNCING

EXPANDED P.A.L. SERVICE

Two Flights Weekly

Shanghai

to

Hongkong

Manila

and

San Francisco

On Or About

Every Monday & Friday

Philippine Air Lines

The Line with the 100% Safety Record

For Through Bookings To Any Point

In The United States Or Europe

Contact

William Hunt & Co.
Fed. Inc., U.S.A.
53 Foochow Road
Tel. 18696

China Travel Service
420 Szechuen Road
Tel. 13450

AIR FREIGHT AND PASSENGERS

William Hunt & Co. maintains a staff of experts in every major field of engineering. These experts are available to you for consultation on your present projects or your future plans.

No matter what type of enterprise you have in mind—construction of a textile mill, expansion of a processing works, installation of a power plant, retooling of a factory—you will find that William Hunt & Co. can supply not only the machinery and equipment, but the all-important technical "know-how" to meet your problems.

WILLIAM HUNT & COMPANY

Federal Inc. U.S.A.

53 Foochow Road Shanghai

Cable Address: WILHUNT

IMPORTANT ANNOUNCEMENT

"via CGRA/RCA"

WORLD-WIDE RADIO COMMUNICATION SERVICE NOW VASTLY IMPROVED WITH

RADIO TELETYPE

RCA COMMUNICATIONS, INC., takes pleasure and pride in announcing that, in conjunction with the CHINESE GOVERNMENT RADIO ADMINISTRATION, Shanghai has now taken its rightful place with San Francisco, Manila, New York, Montreal, Rio de Janeiro, London, Berne, Vienna, Stockholm, Moscow and other world cultural and trade centers in the use of the ultimate in radio communication.

RADIO TELETYPE

The RADIO TELETYPE will be used to increase the circuit capacities of the Shanghai/San Francisco circuits by complementing the long-established Morse radio-telegraph circuits.

The United States Army and Navy use precisely this type of communication in their vast domestic and international networks.

During the war years, Lt. Col. Thompson H. Mitchell did much to correlate the systems which embrace the RADIO TELETYPE and it is only to be expected that when he returned to the Executive Vice-Presidency of RCA Communications, Inc., he should reorganize RCA's far-flung circuits, utilizing this proved system and advocating its use by connecting administrations abroad.

You are invited to take advantage of this major technological development by marking your radiograms, either by typewriter or by hand:

Via CGRA/RCA

RCA Communications, Inc.

A Service of Radio Corporation of America

(Cooperating with the Chinese Government Radio Administration)

Sassoon Arcade, Nanking Road, Telephone 12558

LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

Nightmare Of Fear

To The Editor:

The world is oppressed by the nightmare of fear.

It is a chaotic and lawless world, with the United Nations existing in name only. America, the greatest world power, keeping her dreadful weapon, the atomic bomb, a close secret, is now more afraid than ever of her own future safety. She fears that her great rival, Russia, may soon acquire the secret and use the atomic bomb and other even more dreadful weapons to destroy her very existence!

The fear and distrust on the part of America, the kindred apprehension on the part of Russia, each nation seeing the other as her potential, nay, inevitable, enemy; under such a situation there can be no peace and the third world war will surely come, inflicting calamitous destruction on all of us.

Alas, this nightmare of fear is of our own creation. The world is not a chaos. The eternal law of sowing and reaping, reigns supreme, and if only we have strong, unshakable faith in this eternal law, our hearts will be at ease.

The modern states are monsters with no human feeling of love or truth. They are selfish and heartless and they care only for their own safety and their own expansion. Such monsters are certainly to be pitied. Selfishness is at the root of all evils. If you sow the evil seed of selfishness, you must reap the miserable harvest of self-destruction.

America, strong and prosperous as she apparently is, has a terrible fate before her. All her superhuman efforts to protect herself will be in vain. The divine and eternal law of sowing and reaping is infallible. The seeds of evil sown must bear their appropriate harvest. The selfish nation, like the selfish man, will regret in vain when the nemesis of retribution comes in the end!

But there is no reason to despair! Let bygones be bygones. Let us, with strong faith in the eternal law, determine to act differently from now on. Fear not the imaginary enemies around you; fear only the evil that is in your own heart. Uproot that evil. Love and respect your neighbor and you will be loved and respected in return.

America, as the world's leading power, should take the lead in this new movement for the world's emancipation and cooperation. Guard the secret of the atomic bomb no longer. Know that this secret is a poisonous snake which will gnaw your own heart! How can you expect to be trusted if you hold such a dreadful weapon at your command? When you cease to threaten others with brutal force, then only will you deserve to be loved and respected by others.

F. D. Z.

Shanghai,
May 5, 1947.

New Treaty

To The Editor:

I read "The New Treaty" in your "Letters from the People" column in the April 5 issue of the *Review*, and wish to thank "Peregrinus" for his refreshing verses.

It is comforting indeed to know that there are people who not only see the truth, but even write about it.

W. B.

Peiping, Hopei,
April 26, 1947.

THE CHINA WEEKLY REVIEW

160 Chung Cheng Road (E.)
Cable Address: "Reviewing"
SHANGHAI Tel. 14772

SUBSCRIPTION RATES:

	3 mons. CNC$	*6 mons.* CNC$	*1 year* CNC$
Shanghai & China Outports	35,000	70,000	140,000
China Outports (airmail)	45,000	90,000	180,000
Hongkong (ord. mail)	40,000	80,000	160,000
Hongkong (airmail)	50,000	100,000	200,000
U. S. A. & other foreign countries	—	US$5.00	US$9.00

THE CHINA WEEKLY REVIEW

J. B. Powell
(Editor & Publisher, 1918-1947)

John W. Powell, *Editor & Publisher*

Assistant Editors
Marion Barney
Urii Sdobnikov
Elizabeth Purcell
Fang Fu-an, *Financial Editor*

Contributing Editors
Lin Wo-chiang
Charles J. Canning
C. Y. W. Meng
Edward Rohrbough
Ben Y. Lee
Leo Rissin
J. R. Kaim
Frank L. Tsao
Tseng Yu-hao, Ph. D.
Shen Chien-tu
James L. Stewart

Correspondents
Wang Dzoong-yen — *Canton*
Tong Chun-cho — *Chengtu*
Duncan Lee — *Honan*
Mark M. Lu — *Kaifeng*
Peter S. W. Wang — *Kunming*
S. E. Shifrin — *Tientsin*
Anna Ginsbourg — *Hongkong*
C. Y. Hsieh — *London*
Joseph P. Lyford — *New York*
Jacques Decaux — *Paris*
Ngiam Tong Fatt — *Singapore*
Hugh Deane — *Tokyo*

A. L. Meyer, *General Manager*
F. K. Chao, *Business Manager* Chen Pang-cheng, *Circulation Manager*

Index for May 10, 1947

Editorial Paragraphs

Foreign Loans To China 283
Futile Efforts 285
Censorship In Taiwan 285
What Our Readers Think 286

Special Articles

China's Hypo-Inflation: How To Stop It ..... *By C. Y. W. Meng* 288
Communists' Hold On Fighting Men Analyzed ..... *By A Foreign Correspondent* 290
800,000 Refugees Swamp 2 Honan Towns ..... *By Duncan Lee* 291
Communism Conspicuous Target In U.S. Congressional Circles ..... *By Edward Rohrbough* 292
International Trade Conference At Geneva—And China ..... *By Lin Wo-chiang* 293
Foochow-Amoy Roads Being Restored ..... *By Sway C. Y. Cheng* 294
Twilight Of Vice—IX. Students Hasten Opium's End ..... *By Pao Yue* 295
Failure Of Education In China ..... *By C. C. Liu* 296
What I Desire Most For China ..... *By Li Chien-chung* 297
Shares, Commodities Soar To New Highs; Rice Hits CNC$300,000 298

Departments

Letters From The People 277
25 Years Ago 287
Business Foot-Notes 298
News Of The Week 299
What U.S. Papers Say 300
What Chinese Papers Say 301
Who's Who In China 301
New Books Of Interest 302

PUBLISHED AT 160 CHUNG CHENG ROAD (EASTERN), SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE, U.S.A. REGISTERED AT THE CHINESE POST OFFICE AS A NEWSPAPER FOR TRANSMISSION WITH SPECIAL MARKS PRIVILEGES IN CHINA.

Contents of previous issues of The China Weekly Review may be found in the "International Index of Periodicals," copies of which are on file in most standard libraries.

All editorials, text and other material in the weekly issues of the China Weekly Review is copyrighted under certificate of registration 華 No. 9953 issued by the Ministry of Interior of the National Government of the Republic of China.

Red Savagery

To The Editor:

For your evident good intentions expressed in "Communist Savagery," (April 26 issue of the *Review*), thanks; but for the faint damns with which you praise Catholic missionaries, no thanks are offered. For instance, you say: "While it is true that during the long Sino-Japanese War, and even after Pearl Harbor, there were cases of missionary collaboration, especially among Spanish Catholic fathers, there is absolutely no reason to believe that all missionaries per se were collaborators."

How would you feel if someone returned the left-handed compliment by saying: "While it is true that in the present life and death struggle between the National Government and the Communists, who are trying to foist on China a hideous way of life, Marxism, which is quite alien to everything Chinese, there have been cases where the editor of the *Review* has published strong attacks against the Government and some articles, such as Betty Graham's on the Red Rural Reform Program, quite favorable to the Communists, who are currently China's worst enemies, still there is absolutely no reason to believe that the editor is per se collaborating with China's enemies?" This defense would leave rather a bad taste in your mouth, wouldn't it?

Since Catholic missionaries are in China for the benefit of the Chinese people, they were given the strictest orders from their superiors not to collaborate with the enemies of China. If you know that some Spanish father disobeyed, why not take that up with his superiors, instead of casting a slur on the whole group of innocent Spanish priests and nuns who stuck it out heroically here for the entire duration of the war for the sake of the Chinese, risking their lives to save hundreds and perhaps thousands of Chinese girls from being raped by Japs—while other friends of China, per se or per accidents, manifested their friendship from a safe distance, returning only when it was safe and then casting slurs on those who stuck it out.

The ordinary intelligent Chinese — I don't believe the Reds have shown themselves very intelligent—appreciate the way in which Catholic missionaries stayed with them during the war and helped them, and it is surely poor praise to say merely that these missionaries were not, per se, collaborators.

Fortunately, Chinese Reds have not yet adopted a "policy of killing Catholic priests whenever any fell into their hands," though they have killed far too many, ruined scores of schools, hospitals, orphanages and churches, and driven many missionaries completely out of their missions. This is part of the notorious rural program, which has hoodwinked so many Americans who ought to be old enough to know by now that the Reds can't tell the truth on any subject, including rural programs.

I was surprised at the statement in your editorial that "most of these atrocity reports cannot be substantiated." If you are referring to those that have appeared in the foreign press, they can be substantiated by eyewitnesses, many of whom are here in Shanghai today. It would be normal for a journal on the East Coast of the U.S., for example, not to know what is really going on in China; but for a Shanghai publication, so close to the front, not to know that a first-class religious persecution is at present going on in many parts of "liberated" China—what a farce!—is not excusable!

Shanghai happens to be the headquarters of many of the Missions affected, and the undersigned will gladly introduce you to at least half a dozen men here who can tell you exactly what Chinese Communism is in practice, because they have seen it at first hand. Many of the details they can give you are sickening, and have not yet been published because that might mean the death or exile of more priests who are working at the daily risk of their lives in Red territory. The Reds have told them openly: "We have three enemies. The National Government, the U.S.A. and the Catholic Church."

"Communist Savagery" is indeed a fitting title for the Reds' program in many, not all parts, of Red China. May they take your advice and cut it out!

F. J.

Shanghai,
May 4, 1947.

Responsible To Whom?

To The Editor:

The long-craved reorganization of the National Government has been realized, with the participation of the Youth Party and the Socialist Party and non-partisan social elements, thus ending the one-party rule of the KMT and the period of political tutelage.

Towards the recent Government reorganization, many political observers took a favorable attitude. Indeed, there is no denying the fact that China is now on her way to political democratization. But it is also undeniable that according to democracy, any political measures or activities must be based on laws, at least in theory. An interesting but important question may therefore arise: On what legal basis is the new Government built?

In accordance with the old National Government Organization Law, the president of the National Government was held responsible to the KMT Central Executive Committee, because the Republic was created by the KMT, which naturally played the role of tutor during the political tutelage period.

Now that that period has been brought to a close at the demand of the other

UNITED STATES LINES CO.

Announces

THE INAUGURATION OF A DRY-CARGO AND REFRIGERATOR SERVICE BETWEEN SHANGHAI AND UNITED STATES

Pacific and Atlantic Ports.

REGULAR AND FREQUENT SERVICE OF FAST, MODERN VESSELS WILL BE ANNOUNCED.

United States Lines Company
GENERAL AGENTS

American Pioneer Line (Atlantic)

Pacific Far East Line (Pacific)

17 THE BUND, SHANGHAI

Telephone 15067-9 - - Cable Address-Seapostes

parties, and the new constitution has not yet been put into force, the new Government should not be responsible to the CEC of KMT any longer, nor to the National Assembly, which has not yet been elected by nationwide ballot. Then to whom should the new Government be held responsible?

As to the new members of the National Government Council, it is true that many of them are learned and competent, but I regret to say that a few of them are ill-qualified and little known to the people. Much better men than these can easily be found in the camp of the Kuomintang. If the recent Government reorganization is to have any effect, it should "inspire the organization of hundreds of political parties and speed up the separation of KMT members from their party."

SHENTING LAI.

Nanking,
April 27, 1947.

Romanization Scored

To The Editor:

Will a Chinese allow a Frenchman to voice an opinion on Chinese writing? Mr. Ho Ming's letter in the February 15 edition of the *Review* annoyed me very much. I thought that the idea of romanization had been forgotten along with a few opinions on reforms born with the early days of the Revolution, at a time when everybody was very excited and wanted to reform everything.

The idea of romanization seems to me to be utterly senseless. Of course, it may appeal to some Chinese as well as to some foreigners, to "simplify" the written language. But the issue is not without serious drawbacks.

First of all, our western languages are multisyllabic, having inflections, cases, tenses, prefixes and suffixes. It is well known that Chinese is monosyllabic even if, sometimes, two or three Chinese words are assembled as in 數目字 *Shuhmuhtzyh*, or 蒸氣 *jengchih*.

Secondly, pronunciation is not the same all over China, and romanized words may not be readable, as they are now throughout the country.

Thirdly, the written language has proved, during the 3,000 years it has been in use, to be the best medium of conveying Chinese thought. It has also fashioned the Chinese mind and eye to the same extent that both of these have moulded the ideographs to suit a definite meaning.

Another point of view is this of a foreign student: As soon as the first difficulty of understanding the rules and reason of the writing is overcome, it is comparatively easy to understand quoted words. All books on China are bound to quote a Chinese expression or word, and not one gives the same romanization to any one word. Each writer romanizes according to his ability or to his own sense of music. The whole system is very confusing because all methods of romanization are faulty in one way or another. On the contrary, when the quoted word or expression is reproduced in Chinese writing, the accuracy is infinitely greater.

The remedy to illiteracy does not lie in romanization. Illiteracy is not simply an inability to read, but being unable to translate into common sense what one reads. How many literate people are there in the world? In advanced countries, where practically everybody can read and write, how many can really understand what they read?

To prove this point, I would state that the average person uses a daily vocabulary of from 300 to 500 words to express his needs and feelings. I am not certain that the average Chinese knows many more spoken words than any European. In this case, how long would it take to learn

5
55

The "555" clock respects no position: it will work at any angle. No matter how the minute-hand is shifted, you will soon find it perfectly adjusted.

Manufacturers:

China Clock & Watch Works, Ltd.

980 ZIKAWEI ROAD, SHANGHAI TELEPHONE 70350

中央航空公司

CENTRAL AIR TRANSPORT CORPORATION

Regular plane service to the following points, carrying Passengers . . . Mail . . . and Cargo.

Nanking
Hankow
Chungking
Kunming
Sian
Lanchow
Suchow
Tihwa
Tsingtao
Tsinan
Peiping
Shihchiachwang
Amoy
Canton
Hongkong
Bangkok

For Particulars, Please Apply to

Ground Floor, Astor House Hotel Bldg.,
2 Ta Ming Road, Shanghai
Telephones 40499 & 42255

to write these words? I know the 平民千字課 with which I learn Chinese at present. After about one year of learning alone for approximately one hour a day, I managed to understand quite a number of things in a Chinese paper. What I have done with very little effort, a Chinese must be able to do much more easily as he already knows the language.

There is one last point of value. The French romanized the Indo-Chinese language, and it happens that apart from some scholars, the Indo-Chinese have lost touch with their traditional wisdom. Once can say that they are no longer true Asiatics for they have forgotten their culture, but they have not become Westernized either. The same fate might overcome the Chinese if they romanized their writing.

In a matter of years, they would lose more and more contact with their 4,000-year-old culture and their traditional way of thinking. There might be another solution, which would be to shed the Chinese language entirely and learn some English, French, Spanish or German. But who would accept it?

There is magic in words, and the more so in the Chinese written ideographs. Once the sense of the language is lost, the nation it belongs to is lost.

This, of course, is the opinion of a Frenchman who, for some strange reason, greatly admires the Chinese form of expression, which is its calligraphy.

JACQUES DECAUX.

Paris,
April 5, 1947.

"As Ye Sow....."

To The Editor:

In the April 26 issue of the *Review*, I read Y. Y. W.'s letter expressing his gratitude for the sympathy extended to him by Miss F. I turned back to the March 29 issue, and there I found Miss F.'s original letter, requesting the address of Y. Y. W.

I am deeply impressed by the simple love and goodness of these two nameless persons — one a young lady recently graduated from university, and the other a mere boy of 17 just out of senior middle school. It seems to me these persons are really deserving of our envy and admiration, for with such real kindness of heart they are sure to win the blessing of Heaven and their future will be full of hope and brightness.

As men sow, so shall they reap. Sow good and you will reap blessings; sow evil and you must reap misery. The poor and wretched need not despair of their lot. They have a right to fight for their own freedom; but in so doing they need not feel undue hatred for their supposed oppressors.

The cause of truth and freedom must prevail in the end. Let us do all we can to advance such a cause, and let us be grateful if our humble efforts meet with even slight success. Out of the good seeds sown by you, you will reap the most bountiful harvest both in this life and in eternity!

The ignorant people dread the harvest of misery, but the wise men uproot the seed of evil. Sow evil, and misery cannot be avoided, no matter what weapons are used to combat it. But, once the seed of evil is uprooted, the harvest of misery will disappear of itself. The world is reaping the harvest of what it has sown and is continuing to sow—selfishness, injustice and distrust. War and destruction can never be avoided in such a world.

F. D. Z.

Shanghai,
May 5, 1947.

Simple Statistics

To The Editor:

May I be allowed to offer you the following simple statistics to show the state of the present government?

	Provinces	*Governors-General*
1.	Kiangsu	Wang Mao-kung.
2.	Kweichow	Yang Sen.
3.	Chekiang	Shen Hung-lieh.
4.	Anhuei	Li Ping-hsien.
5.	Sikang	Liu Wen-hui.
6.	Fukien	Liu Chien-hsu.
7.	Kwangtung	Lo Cho-ying.
8.	Kansu	Kuo Chi-chiao.
9.	Hunan	Wang Tung-yuan.
10.	Hupeh	Wan Yao-huang.
11.	Shansi	Yen Hsi-shan.
12.	Shantung	Wang Yao-wu.
13.	Suiyuan	Fu Tso-yi.
14.	Yunnan	Lu Han.
15.	Chahar	Tung Chi-wu.
16.	Kirin	Liang Sheng-hua.
17.	Ninghsia	Ma Hung-kuei.
18.	Shensi	Chu Shao-chow.
19.	Sinkiang	Chang Chih-chung.
20.	Kiangsi	Wang Ling-shi.
21.	Hopei	Sun Lien-chung.
22.	Honan	Liu Mao-en.
23.	Chinghai	Ma Pu-fang.
24.	Szechuen	Teng Hsi-hou.
25.	Taiwan	Chen Yi.

Among the above 25 Governors-General, General Teng Hsi-hou is acting Governor on behalf of General Chang Chun, the newly promoted president of the Executive Yuan. It was said that General Chu Shao-liang will take the place of General Chen Yi, whose masterpiece is the Taiwan Tragedy. General Yen Hsi-shan has been Governor of Shansi Province for 35 years; General Ma Hung-kuei has been 15 years in Ninghsia; while General Liu Wen-huei and General Ma Pu-fang have been governors of Sikang and Chinghai respectively for 10 years.

As the Generals' belief is that the sword is mightier than the pen, how can China become a democratic country as long as they continue to be governors? In addition to the numerous Generals, there is one who is the "biggest" General —Generalissimo Chiang Kai-shek—patron and leader of the numerous military officers for the last 20 years (1927-1947).

May I beg to give you some more figures which are no less valuable than the preceding ones. The General has held the following posts:

1. President of the National Government.
2. Tsung Tsai, Leader of the KMT.
3. Chairman of the Standing Committee.
4. Chairman of the KMT Congress.
5. Chairman of the Central Executive Committee.
6. Leader of the San Min Chu I Youth Corps.
7. Chairman of Military Affairs Council.
8. President of the Central Military Academy.
9. Chairman of the National Aeronautical Commission.
10. Director of the Central Planning Boards.
11. Chief of People's Political Council.
12. President of the Central Political Institute.
13. Founder of the New Life Movement.
14. President of Opium Suppression.
15. Chairman of Party and Political Scrutation.
16. Chairman of the Supreme National Defense Council.
17. Tsung Tsai of the Four National Banks.
18. Commander-in-Chief of Bandit Suppression Campaign.
19. Concurrently Governor of Szechuen Province.
20. President of the Executive Yuan.
21. Concurrently Chancellor of National Central University.
22. Concurrently Minister of Education.
23. Chief of Lushan Training Corps.
24. Supreme Leader of Blue Shirts.
25. President of Central Infantry Academy (at Lintan, Kansu).
26. President of the 4th Staff Training Corps (at Sian).
27. President of the Central Police Academy (One of the training headquarters for secret police, outside Bridge Gate, along the south side of the Yellow River, at Lanchow, Kansu).

It has been said that the Generalissimo has occupied more than 1,000 important and high positions, but the above mentioned are quite enough. Both Mussolini and Hitler should have been ashamed to death that they did not hold as many positions.

Is it necessary to tell the world for what the KMT government stands? It is just such a government that Uncle Sam is flirting with, like a gallant possessed. Is the US$500,000,000 a betrothal gift?

REVELATION.

Kaifeng, Honan,
April 22, 1947.

Bus Behavior

To The Editor:

It is a misfortune for the Chinese students that the transportation equipment of the universities is so poor. Here is a story about the National Honan University bus.

Intending to go down the street on some business, I stood waiting for the bus.

"It is dangerous to get on the bus; you had better go on foot, I advise you, Mr. Hsu," said Mr. Liu.

"I know," I replied, "But it is too far to go on foot."

The bus came.

A crowd of students, running out of the building, hurried towards the bus, crying loudly with mirth. Two professors, coming out of class and seeing the bus, also ran quickly towards it. Some school servants, hearing the horn, came also. The bus had scarcely stopped, when the passengers rushed in, jostling each other. Professors, students and servants had equal rights. No ranks, no order, no discipline. Even the venerable professors must jostle with their students, or otherwise they would be left behind. The people already in the bus tried to get out, but in vain. They got down by crawling through the windows.

The bus went on. Some students stood on one foot, climbing the edge of the window. An old professor remained on the street, looking at the sight with great disappointment. From among the crowd in the bus, came a shriek from a girl student, who could not bear the oppression. Some of the students sympathized with the poor girl and tried to move in order to give her more space, but in vain.

Men and women, professors and servants, all were squeezed together like one piece of flesh, which would put cement to shame. The odor of sweat and flatulence filled the air. I could hardly breathe. The professors forgot the dignity of their position. The girls did not mind the shameful behavior. Everyone must struggle for his life, or otherwise be squeezed to death.

The bus stopped at Ku Lo Street. I squeezed my way through the passengers and was through with suffering. Another crowd of students, waiting by the roadside for the bus, hurried towards it. The noise swelled up. Passersby, observing this strange sight, stood gazing at us with curiosity.

HSU SHIH-CHEN.

Kaifeng, Honan,
April 26, 1947.

Technique

To The Editor:

Some time ago you called your readers' attention to the fact that Soviet propaganda was exploiting the *Review* by mutilating the passages and quoting them to support the Bolshevik cause.

Today I read Hongkong's *Wah Shiang Pao* which printed the Chinese translation of the article entitled "Who Are China's Liberals and Democrats?" by Tseng Yu-hao, Ph. D., which appeared in the April 9 issue. This vernacular papar put the *Review's* name at the end of the translated article, thus making it appear as though the stuff was written for this famous leftist journal.

In the translated version, Dr. Carson Chang was pictured as a "most insistent" scholar, whereas in the original Dr. Chang was described as "never inconsistent." In the *Review*, Dr. Sun Fo was very much praised by the author, while the translator called Sun Fo "an opportunist." Your contributor described Marshal Li Chi-sen, now a pro-leftist political exile in Hongkong, as anti-Comintern, while Generalissimo Chiang Kai-shek was reported by English newspapers as "nothing but a Red." The Chinese translation of Dr. Tseng Yu-hao's discourse as published in the *Review*, omitted this description altogether.

I have just read Miss Chang Lien-hua's "I Accuse" in the April 19 issue. She blames the Generalissimo's Gestapo for turning innocent people into Communists after they have been persecuted, tortured and imprisoned. I remember years ago, one ex-member of the Kuomintang Reformatory told me that the party men arrested innocent people, gave them the third degree and obtained confessions which were not factual, but which enabled judges to convict them as "counter-revolutionaries."

If they behaved satisfactorily for six months in the Reformatory, they were released. They actually did join the Comintern and always gave the credit to their sufferings in the Kuomintang chambers of terror.

Now the Comintern propaganda machine seems to have adopted a new technique in recruiting Communists. Through distortion and mutilation, *Wah Shiang Pao* has succeeded in converting Dr. Tseng Yu-hao, an anti-Fascistic and anti-Comintern writer, into a Kremlin spokesman; and the *Review*, which is the most independent and impartial periodical, into the *Pravda* of the Far East.

Under such circumstances, are the Communists entitled to more rights and privileges under the law stipulating the liberty of the Press? I wonder.

MOK SHIH-KO.

Macao,
April 21, 1947.

United... By Chains?

To The Editor:

I have hitherto read your paper and had the fine impression that here, at least, one could read the opinions of some independent, unbiased observers. But an editorial entitled "UNRRA'S Problem," which appeared in the April 19 issue of the *Review* rouses a certain doubt in my mind.

The last sentence of the article says, in effect, that the only settlement in sight for the civil war in China is a military one. Well, that sounds splendid, and perfectly in harmony with our bloodthirsty militarists. For after all, what is the use of negotiating with the Communists? Eliminate them, that is the only answer.

Granted that all the present troubles in China are caused by the Communists; granted that the Communists could be annihilated within a few months, as one of our valiant generals in this civil war has claimed; in what state will our country be then? The victorious faction, whichever side it may be, will then emerge as a new tyrant, more ferocious and cruel than any to be found in history.

There will be more terrible blood baths perpetrated, on an even more magnificent scale than has lately been witnessed in Taiwan. The honest rural laboring people who constitute more than 85 percent of the population of China will, should they survive the civil war, face a master whose corruption and inbecility will be superior to those notorious taking-over bureaucrats, and whose arrogance and ruthlessness will more than rival that of the Japs.

China will then become a united and peaceful nation. United, indeed, by the chains, not of any desire for freedom or brotherly love, but of terror and persecution. Pacified, not by the prevalence of justice, but by some euphemism of concentration camp and nightmarish secret police. Her wealth, if the human skin peeled from starved corpses will count, will be concentrated in the hands or bellies of about a dozen arch-bureaucrats.

And yet the question still remains as to how the civil war shall be won by either of the belligerent sides. Will the Communists be able to win single-handed? Nobody dares to think so. Will the KMT be the victor? No sober mind believes so. Yet there are still certain people looking forward to the latter solution, under the condition that the great United States, with its unlimited resources, will be so wise as to back up the KMT more thoroughly and unreservedly. Thus, so think our reactionaries, will the settlement be in sight.

If things should get so bad, which God forbid, the victorious faction, whichever side it might be, will not only be absolute

大通銀行

THE CHASE BANK

Affiliated With

THE CHASE NATIONAL BANK

OF THE CITY OF NEW YORK

Shanghai Office:

99 Nanking Road Telephone 11440

Branches:

HONGKONG ◁▷ TIENTSIN ◁▷ PARIS

master of the people under its rule, but, concurrently, an absolute valet of an alien nation, and always ready to fight for their alien master at the slightest bidding.

Thus, the Chinese people, whose fate will soon be shared by people all over the world, will be most certainly doomed. Damn the military settlement, if it can be called a settlement at all, and those who seek for such a one.

BRUTUS.

Peiping, Hopei,
April 23, 1947.

Subscription

To The Editor:

I am deeply touched by the letter written from upcountry by a former Chinese subscriber of yours who has been unable to renew his subscription because his pay as a schoolteacher does not allow such a pleasure. I would very much like to enter a three months subscription for him.

F. C.

(EDITOR'S NOTE: — The letter referred to came from T. N. K., who has already received a subscription from another of our readers. However, we have received another letter from a former subscriber also a schoolteacher, who finds himself in similar straitened circumstances, and have applied F. C.'s contribution to C. S. H. of Soochow.)

Wanted: Liberty

To The Editor:

Having read Miss Chang's article which appeared in the April 19 issue of the *Review*, I feel very sorry for those people who were arrested and forced to write statements calling themselves Communists and announcing that they were ready to quit the party, or otherwise they would be subjected to torture.

Whether China is a democracy or an autocracy, according to the principles of democracy a country belongs to the people. If the Government wishes to act in a certain way, it must get the consent of the people. What is now happening in China? Disappearances and squeezing have become ordinary. The people's responsibility becomes heavier every day. Millions of dollars lent to us by the U.S. are being used up speedily for civil war, for the sake of protecting a few personal profits.

During the Sino-Japanese War, I remember, millions of soldiers and civilians were killed fighting for liberty instead of slavery, and now we are desirous of having that liberty. We who lived here in this city suffered double misery under the Japanese occupation. They applied barbaric tortures to our Chinese people and were inhuman. Our Allied airplanes bombed Shanghai by way of resistance. We know that bombs have no eyes, and could not distinguish between Chinese and Japanese, yet we, at the bottom of our hearts entertained great hopes that our national armies would return.

Now we feel everything is a failure. We are allowed to do nothing we wish. If we say something a little strong against our government, we shall soon find ourselves arrested. It is clear now that many people who have disappeared in Shanghai have lost their freedom and have been jailed. But before Miss Chang's accusation was published I did not expect that the Government would be so foolish as to show such vicious conduct, thereby throwing away public respect.

A wrong policy is being pursued. Weapons are unable to conquer men's hearts. One remembers how powerful the Nazis in Germany became and how they overthrew domocracy. It was then found that the people must obey their leader or else they were taken to concentration camps. From the motion pictures we have seen seven Germans who opposed their leader's intention of making war in 1939. All of them were arrested and with one exception they were all killed. But how long have the Nazis kept their strength?

Today, the world appears to have many reactionaries who are going the same way as Hitler did. Even in Shanghai we find men who have disappeared and a magazine which has been banned. What protection do we get from our Government? Although the Government has been reorganized we still have no assurance that the civil war will be stopped, nor have we been told whether the peace talks will be resumed or whether they have been suspended permanently. If the civil war is to go on, who will have the ability to lessen our suffering?

FREDERICK Z. WOOD.

Shanghai,
May 4, 1947.

Goodbye Again

To The Editor:

Last year I said goodbye to the *Review* and an unknown "friend" gave me a three months' subscription. I gave him a thousand thanks via the editor. Now the subscription has again expired. I am very fond of the *Review*, but I cannot help stopping the subscription. My economic condition has not only not improved, it is getting worse.

However, I am still a reader, even though I cannot afford the subscription. I read the copy of the *Review* in the library, or borrow it from friends who subscribe. When my economic condition improves, I will renew my subscription, and will also give one to another reader, as the unknown friend did to me.

D. C.

Kweiyang, Kweichow,
April 25, 1947.

Commemorating the Forty-fifth Anniversary

of

the opening of the Shanghai Branch

of

THE NATIONAL CITY BANK OF NEW YORK

Established 1812

FIRST IN WORLD-WIDE BANKING

Shanghai Branch

(Opened May 1, 1902)

41 Kiukiang Road **Telephone 11500**

THE CHINA WEEKLY REVIEW
密勒氏評論報
A Weekly Newspaper Established in 1917

The editorial pages present each week the opinions of the editor. The other pages of The China Weekly Review are written by the other members of the staff and the contributing editors who report and interpret the news irrespective of the views expressed in the editorials.

Vol. 105 Shanghai, Saturday, May 10, 1947 No. 11

Foreign Loans To China

IN recent weeks there has been a revival of speculation about a new American Government loan to China. Besides the US$500,000,000 credit already available at the Export-Import Bank, providing China can submit satisfactory plans for its use, there have been rumors, or perhaps Nanking-inspired "trial balloons" to the effect that the Central Government was going to apply for a further American grant of US$1,000,000,000. In addition there have been constant "rumors" that various private foreign groups were negotiating with the Central Government with an idea of supplying smaller loans for specific economic development projects, such as construction of railways, etc.

From a banker's point of view, China, split by civil war and daily wallowing deeper into economic and political confusion, is a poor risk. What foreign governments, especially the American one, may think of China as a risk is another matter since it is probably felt that political, economic or military advantages secured through a loan may be sufficient payment. Certainly this must have been the reasoning behind the US$500,000,000 loan the United States made to China shortly after Pearl Harbor. The British Government probably felt the same way when it granted credits of about £50,000,000 at that time.

While China has in recent years made quite a bit of progress in trying to service her foreign loans, especially some of the more recent ones, the total picture of the external and internal debt of the present government is not one to inspire confidence. The question of how far the present government's responsibility for loans contracted by earlier regimes goes is of course debatable.

However, if China is to maintain a good credit standing abroad, successive governments cannot decline responsibility for monies borrowed by their predecessors. Already Great Britain is complaining that China has defaulted on her Sterling loans since before the war, while she has made some payments upon her loans from America.

Our own ideas upon the subject of loans to China, while they do not express the views of the American or other foreign governments, are relatively simple. We would suggest that before new loans are made there should be a conference between America, Britain and any other creditor nations on the one hand and China on the other and that a progrom for the reconcilement of past loans be drawn up.

Then, and only then, should negotiations be initiated regarding fresh credits. Also, since so many previous loans have been poured down one drain or another in China and have not resulted in any benefit to either the country or the people, detailed plans for the use of future loans should be made. Perhaps even an outline for economic and other internal development for the next 25 or more years could be made. There should be no more loans of lump sums without provisions attached as to how the funds are to be spent. The history of past loans has conclusively showed that no matter how good the intentions may be when the loans are being negotiated, something always happens to change the "plans" when they are eventually obtained.

We would favor a plan whereby all loans in the future would be made on the basis which has been announced for the current US$500,000,000 which China may yet draw. Perhaps one revision might be made. As we understand it, the present Export-Import Bank credit will be spent upon materials for specific rehabilitation or reconstruction projects. However, there is no plan for the financing of such projects in China. If, for example, the Bank grants US$10,000,000 for the construction of a bridge at Hankow, it should also grant sufficient funds, perhaps another million or two, for the actual erection of the bridge. In her present bankrupt condition, China could not afford a loan for various projects if she had to bear the burden of internal financing. If such a plan should be adopted, though, there must be adequate safeguards to ensure that the monies earmarked for internal financing really are used for that purpose.

If such a system for advancing loans should be worked out, we would be all in favor of advancing funds to China. For the duration of the civil war, care should be taken to make sure that projects designed for rehabilitation are not of such nature that they can be converted into war uses. Of course, one may argue, any help extended to China fans the civil war. That, naturally, is true to some extent. However, there are many projects which could be carried out in areas removed from the scene of fighting which would not contribute to the Central Government's war-making potential except that they would improve the livelihood of the people. Once the war is ended, one way or another, foreign nations should advance funds to China as fast as possible, always keeping in mind the fact that the expenditure of the money should be watched closely. Until such time as China becomes more prosperous and the people are lifted out of medieval serfdom, there will always be civil wars and revolts and a gulf between the government and the people. The only way any substantial progress can be made during our lifetime is through extensive foreign help, both financial and technical.

If all the loans China has obtained in the past had been spent upon constructive projects designed to improve the country and aid the

people, China most certainly would not be in her present chaotic position. We have compiled a partial list of her internal and external debts and it is staggering. When one looks at the list of defaulted, or partially defaulted loans, it is easy to understand why no sane banker or businessman would dream of advancing money except under greatly altered circumstances.

During the war period alone the Ministry of Finance issued bonds internally which have the following total values: CNC$15,005,000,000, CGU100,000,000, £20,000,000 and US$200,000,000. As of January this year the following amounts of principal were still owed: CNC$14,546,252,000, CGU83,800,000, £17,965,000 and US$169,825,000. These figures do not include any loans raised within China before the Sino-Japanese War.

Credits advanced to China by America and Britain during the war, according to official Chinese Government figures, totaled US$870,000,000 and £58,047,000. By June, 1945, China had expended US$758,894,229.37 and £9,509,188/8/9 and had, furthermore, repaid US$147,698,226,28 and £677,510/4/8. While the amount of repayment may appear small, it is really rather remarkable when one realizes that this repayment was made during the war.

Other financial aid given China in the war and postwar period includes three barter trade agreements between China and Russia in 1938 and 1939 which totaled US$250,000,000, "American wartime assistance" in the form of military supplies, etc. estimated to total US$1,565,000,000, US$50,000,000 in postwar Lend-Lease supplies, US$675,000,000 in surplus materials sold on credit and about US$500,000,000 as representing America's share of the US$675,000,000 UNRRA has spent on China.

While much of this aid should naturally be written off as foreign contributions toward the winning of the war against the common enemy, it still would be advisable to settle the matter before fresh credits are negotiated.

Of perhaps even more importance to lending nations is the condition of prewar credits to China which were made in times of relative peace and which had nothing to do with winning the war. While it is almost impossible to obtain the exact number of previous loans and their exact position as of today, the following list, which includes sterling loans on which *both* principal and interest are now in default, is believed to be essentially correct:

The Chinese Loan of 1898, the Chinese Railway Loan of 1899, the Shanghai-Nanking Railway Loan, the Honan Railway Loan of 1905, the Canton-Kowloon Railway Loan of 1937, the Chinese Gold Loan of 1908, the Tientsin-Pukow Railway Loan of 1908, the Tientsin-Pukow Supplementary Loan of 1910, the Tientsin-Pukow Railway Loans of 1908 and 1910, the Hukuang Railway Loan of 1911, the Chinese Reorganization Loan of 1913, the Sterling Indemnity Loan of 1934, the Shanghai-Hangchow-Ningpo Railway Completion Loan of 1936, the Tientsin-Pukow Railway Loans of 1908 and 1910, the Hukuang Railway Loan of 1911, the Shanghai-Fengching Railway Loan of 1914. The interest and principal still in default on the foregoing loans total £29,385,849.

(Some of the foregoing may appear to be duplicates but that is because they are issues bearing the same name but coming from different foreign countries, or, while bearing the same name, have different rates of interest and terms of payment.)

Other Sterling loans upon which there is still principal outstanding include: The Gold Loan of 1912, the Gold Loan of 1913, the Vickers-Marconi Treasury Notes, the Loan of 1922, and the Bonds of 1925. The total unpaid principal of these loans is £17,736,217.

In addition there are the following railway advances made between 1913 and 1937: Pukow-Sinyang Railway Advance of 1913, Tatung-Chengtu Railway Advance of 1913, the Taokow-Chinghua Railway Advance, the Chinghua-Menghsien Railway Advance, the King-Kan Railway Advance, the Chuchow Repair Shops Advance and the Nanking-Shanghai Railway Improvement Loan of 1937. The unpaid principal on these advances totals £1,453,773.

Besides these Sterling loans there have been several loans for railways and other development projects which are quoted in various foreign currencies. Among the ones upon which there is still principal outstanding are the Chicago-Continental Bank Loan of 1919 with US$5,500,000 unpaid; the Pacific Development Corporation Loan of 1919 with US$4,900,000 unpaid; the French Boxer Indemnity Gold Loan of 1925 with US$22,136,650 unpaid; the Belgian Boxer Indemnity Gold Bonds of 1928 with US$828,900 unpaid; the Kaifeng-Honan Railway Gold Loan of 1903-7 with French Francs 23,383,375 unpaid; the Pukow Gold Loan of 1914 with French Francs 100,000,000 unpaid; the Lung-Hai Railway Treasury Notes of 1925 with French Francs 21,250,000 unpaid; the Lung-Hai Railway Treasury Bonds of 1920-1-2 with Belgian Francs 137,743,000 unpaid; the Lung-Hai Railway Treasury Bonds of 1920-23 with Guilders 31,483,000 unpaid; the Tatung-Chengtu Railway Advance of 1913 with French Francs 4,251,560 unpaid; the Chuchow-Chingchow Railway Loan by Siems & Carey with US$1,150,000 unpaid and a collection of various foreign currency debts of the Ministry of Communications which total approximately US$11,000,000.

The foregoing lists, which are not complete by any means, since, among other things, they do not show the extent of the huge Japanese loans which it is presumed are now considered alien "property" and thereby have been liquidated, clearly show in what a mess China's obligations are and what a sad picture her unpaid foreign debts make.

As we have said, many of these loans probably should not be collected since they were made for political purposes, as well as economic, and therefore could be written off as additional expenses of the foreign offices of the governments involved. However, one only has to glance over

the lists to see that something obviously "happened" to a lot of these loans, especially the railway ones. While we are not experts on railway construction, it would appear that various Chinese Governments in the past have obtained enough credits to pave a large portion of the country with railways. Obviously, some of the money must have been expended for other things.

While we are not convinced that the present time is the best one to grant large additional credits to China, especially in view of the great temptation there will be for politicos and militarists to divert funds to political and military matters, we certainly advocate the closest supervision of any new credits that may be forthcoming. This will be the only way to make certain that the funds are spent in the best interests of the people.

Sale Of Government Enterprises

Everyone was hoping that swords would be made into plowshares after V-J Day. It turns out that plowswords are being turned into shares.

Futile Efforts

TODAY, the real value of the fapi is considerably lower than was that of the CRB at its lowest, i.e. directly after V-J Day. Ten thousand dollar notes have been issued and even the restraining psychological effect of first issuing 500-unit Customs Gold notes has worn off. There is practically no tether to the inflation now that the 10,000 dollar marker has been passed. The Commodity Price Index gives a good illustration of this point: first week of April—18,142 times 1936; third week—21,905; and last week—24,543, according to China Institute of Economic Research Statistics.

The civil war is the cause of this disastrous perspective. The inflation which has been held back during 1946 will obviously assert itself vigorously in the current year, in the next two or three months, in particular. There is every possibility that the heretofore arithmetical progression of inflation will give way to a geometric one in this period. Then the fapi and the Hungarian pengo of sorrowful memory may become synonyms.

How can it be otherwise? In 1946, when the Government expected to collect CNC$2,005,400,000,000 in revenues, it managed to get only CNC$1,900,000,000,000. And while it expected to spend CNC$2,500,000,000,000, the Government expended CNC$5,500,000,000,000. Considering that conditions—economic, political and military—are decidedly worse today than several months ago, how does the Government expect to raise the CNC$3,330,700,000,000 estimated for 1947, or yet, spend *only* CNC$9,320,000,000,000? Obviously, the National Government is in no position either to collect that much, or to disburse so little. Not when 75 percent of the budget is allocated for civil war expenses, when rice is bought up for the 4,000,000 strong army, when communications are disrupted, when foreign trade is at a standstill, when farmers prefer buying rice to growing it, when peasants run away from their native villages to escape conscription, when a dozen other trends go against the grain of a balanced budget.

The pseudo-economists in the present administration do not realize that to "punish severely, according to law" violators of the "emergency economic measures," or obstinately to refuse to solve the HCL problem in a speedy manner, does not stop the inflation, nor stabilize the economic situation in any manner. A very temporary stabilization may be achieved, as it has been every two or three months in the past, but we have seen that every time prices broke away they registered considerable gains and the next "stabilization" took place on a much higher level.

It is not difficult to predict the future of prices. It is more difficult to recommend "solutions" for the price and inflation problems, if panaceas are expected and desired. If a fundamental solution is sought, one need not go far in its search: the end of the civil war.

Cause & Effect Department

When labor representatives asked Mayor Wu to say a few words to the gathering, it started to rain more heavily.—*China Press, May* 2, 1946.

Censorship In Taiwan

SINCE the beginning of the Taiwan riots on February 28, the Taiwan Government-General, still headed at press time by General Chen Yi although Dr. Wei Tao-ming was appointed nearly two weeks ago to succeed to the governorship, has exercised a rigid censorship of the press. Since the Taiwan governmental setup was actually a small dictatorship, this is not surprising. Indeed, more surprising was the apparent leniency of the government in its press dealings before the riots developed. That the administration later regretted its earlier lenient press policy was disclosed to the editor of the *Review* in an interview with a member of Chen Yi's "cabinet" who said that after the riots began the administration realized what a mistake it had made in not clamping down on the press from the beginning.

Apparently determined not to make the same mistake twice, Taiwan's mainland administrators have, since the riot, closed virtually every publication on the island. In addition, it now develops, the authorities have been examining all publications reaching the island from the mainland, apparently with the idea of banning any carrying stories unfavorable to Chen Yi and his administration. All importers of newspapers and magazines are required to present each new issue received to the Taipeh Garrison Headquarters before putting it on the news stands.

However, news agents, having had much experience with officials, seem to develop a pretty good idea of what will pass and what will not. In Shanghai some time ago when "undesirable elements masquerading as secret police" descended upon a couple of news stands and confiscated copies of *The China Weekly Review*, word got around town and in an hour or two most of the city's newsstands had pulled down their copies of the *Review* and put them out of sight.

Last month a similar thing apparently happened in Taiwan as our news agent there—a mainland Chinese—informed us that he had decided that he "didn't like" the *Review's* stories on Taiwan so he just "didn't bother" to show copies to the Garrison for three weeks. Whether our news agent really passed censorship personally upon the *Review*, whether he did take the copies to the Garrison and had them turned down or whether he was simply afraid to present them to the Garrison, we were unable to find out. In any event, the fact remains that copies of the *Review* containing articles critical of Chen Yi's administration and which described the riots of February and March were suppressed. Presumably, however, subscribers' copies mailed from Shanghai did get through.

We have gathered that since these articles appeared the *Review* and its editor have not been particularly popular with some of Chen Yi's officials. In fact one of the governor's henchmen, a longtime friend of the *Review's* editor, recently began a slander campaign against the latter in Shanghai, publishing several pamphlets denying that there were any atrocities in Taiwan or any really serious trouble. One pamphlet in particular attacked the editor personally, referring to him with some not-so-complimentary adjectives. These things really don't bother us so much since we've become rather used to them. However, we're sorry that our friend could not see his way clear to signing his own name to his pamphlets; it would have given them — if not him — more "prestige," we're sure. Besides, our editor is always willing to sign his name to his articles and, obviously, is quite willing to stand publicly by what he writes.

It would appear that the *Review* will be in need of a new sales agent in Taiwan, since it is obvious that we can't depend upon a guy who either proposes to read each issue first to see if he likes it, or who's got a weak spine, or who is willing to cover up for the censors.

If any of our readers, in Taiwan or elsewhere, have a friend down there who would like to sell the *Review*, please let us know.

History Repeats Itself

Mayor Wu Prohibits Rice Hike.—*China Press, April* 18, 1947.

King Canute Bide The Tide Stand Still.—*ca.* 1015.

What Our Readers Think

SOME time ago we mailed questionnaires to a number of our subscribers, asking them to answer a series of questions about the *Review* and themselves. The response was very good, with the vast majority of those receiving questionnaires filling them out and returning them within a short time. In an accompanying letter we told our subscribers that when we had tabulated the results, we would publish our findings so that each could see how his opinions corresponded with other readers' views.

While we only recently completed an analysis of the replies, the general trend was foreseen from the beginning and, consequently, we have already made a few minor changes in keeping with our readers' requests. Many requests, which were repeated a number of times, we have for various reasons been unable to fulfill. The main difficulty at present is the paper shortage here which prohibits any regular increase in the size of the *Review*. Occasionally, when the supply temporarily increases, we are able to add a few pages for a week or two, but from present indications it appears we will not be able to return to our pre-war size until the world-wide scarcity of paper ends.

Our difficulties in this respect are increased by the fact that, in contrast to Shanghai's dailies, we, apparently because we are classified as a "weekly magazine," are not given an allotment of paper at the official rate, but must depend almost entirely upon the black market for our needs, which increases our paper expenses several fold over the daily papers.

* * *

IN response to a question asking for a general opinion of the *Review*, we found that, despite many ideas for additions or deletions, 82.2 percent thought the *Review* was "good." Fourteen and one-tenth percent said "medium," no one thought it "poor," and 3.7 percent failed to answer the question.

To all intents and purposes, it would seem, there are three sections of the *Review* upon which the majority were agreed in that they preferred them to other features. They were: editorials, special articles and letters from the people. Virtually none of our readers suggested that any of these sections were poor, most replies asking that they be increased. Editorials led the list, with 83.1 percent of the replies listing them as "good," the highest rating we provided in the questionnaire.

We followed this question with one asking readers to list those sections which they would like discontinued. We did not receive a single reply which asked for elimination of editorials or special articles, while only *seven* readers asked that letters from the people be discontinued. Of these seven, all but one asked that they be removed upon the ground that the letters were too critical of conditions and tended to "upset the people," thereby causing trouble.

In descending order of frequency, the following sections were mentioned in answer to a question asking what sections readers would most like to see enlarged: special articles, what U.S. papers say, editorials, news of the week, letters from the people, what Chinese papers say, events in brief, business footnotes, new books of interest, who's who in China and people in the news. New features readers would like to have were many and varied. Generally speaking, subjects such as literature, humor, comments from American magazines and newspapers and notes on science and education were most often mentioned.

One question in which we were quite interested was, "How many people read your copy of the *Review*?" We had guessed that the answer would be high, but did not imagine that it would average *eight persons per copy*! Broken down, the eight person average was almost evenly divid-

ed among members of the subscribers household and his friends, who either read it when they visited the subscriber, or had it sent to them when the family had finished.

* * *

ANSWERS to questions concerning the life and activities of our subscribers were equally interesting, since, to our knowledge, this is the first time the editors of a publication in China have made any attempt to find out what kind of people read their product. The average age of *Review* subscribers was 33.7 years old. The number over 50 years old was almost equalled by the number of readers who gave their ages as less than 20. Not all replies received answered the question of whether the reader was married, but of those that did, 33 percent were single. Those who said they were married had an average of 2.6 children, which were almost exactly divided between sons and daughters. Only three percent of our subscribers were women. However, this figure cannot be considered exact, especially in regard to total readers, since in almost all cases where the subscriber was a married man, he filled out the questionnaire.

It has always been our belief that civil servants constituted the largest single group of our readers and that they were followed by students. This, we found, was probably not quite correct, although many replies failed to answer this question and many of the answers were so phrased as to make completely accurate analysis quite difficult. However, we were able to list the occupations of our subscribers in the following general manner: "Business" 28 percent, school teacher or professor 22 percent, government employee 18 percent, professional worker 13 percent, student six percent and missionary three percent. As we said these particular figures, being, among other things, incomplete, are quite open to doubt. One reason is that the question just covers subscribers.

If it were possible to poll readers, the student category undoubtedly would be increased. This we know because of the fact that each week we make several block sales to representatives of schools and universities who either call or write, asking for from 10 to 50 copies of particular issues which they desire for English or current history classes. Further, many of our subscribers mentioned that when read, their copies were passed on to student friends who were financially unable to subscribe themselves.

We also asked our subscribers a series of questions about their reading habits such as what other magazines they now read and what kinds they would like to read. For instance, only 29 percent said that they listened to the radio, 52 percent said that they would like to read a Chinese edition of the *Review*, 97.8 percent said that even if a Chinese edition were available they would still read the *Review* in English.

* * *

WHILE statistics such as these can often be deceptive and one would do well to use caution in accepting them, they nevertheless do indicate a few points which are of extreme interest to us and, presumably, to the few thousands of our subscribers to whom we mailed the questionnaires and who took the trouble of replying. We appreciate their help and certainly shall continue our efforts to give them as good a paper each week as we can, making changes and additions from time to time as conditions permit.

It goes without saying that we, like the editors of all other public journals, consider our readers as our best friends. Our main purpose in publishing the *Review* is to fill the need for such a publication which the founders correctly felt needed to be filled nearly 30 years ago. It is our hope that we shall not only maintain the *Review* at the same high standard as in the past, but improve it wherever and whenever possible in the future.

25 Years Ago In Millard's Review Of The Far East

Shantung's Return

May 13, 1922.

Dr. C. T. Wang, director of rehabilitation of Shantung Province, expected to depart from Shanghai for Peking this week to begin discussions with the Japanese commissioners looking to the settlement of the details incidental to the final transfer of Shantung from Japan to China. The withdrawal of Japanese railway guards and their replacement by Chinese guards along the railway from Tsinan to Tsingtao seems to have been practically completed, but the real test will come when Dr. Wang meets Mr. Obata, the chief Japanese commissioner, in Peking.

* * *

Drug Menace

There was a time when the word drug traffic was almost synonymous with the nation of China. Fact and fiction painted the native of this country as an addict to the poppy pipe, opium dealers waxed rich and the more moral elements of the world joined forces in their condemnation of the existing condition. The culmination of this came with the burning of more than CNC$25,000,000 worth of opium, bought and paid for by the Chinese government, in the city of Shanghai in the spring of 1919. Thus China's slate was wiped comparatively clean of the opium menace as a legitimate trade, although the machinations of smugglers and the greed for money of the more depraved military men of the country have greatly retarded the movement.

10 Years Ago In The China Weekly Review

Emancipation

May 8, 1937.

The *United Press* was the only news service and the *North-China Daily News* the only newspaper here to report the important fact that Filipino women had won the right to vote. Final reports are not yet available but the message (May 1) stated that tabulations in 30 cities in eight provinces had registered 302,781 in favor to 30,872 opposed; hence it was a foregone conclusion that Filipino women, after two previous failures had finally succeeded in gaining the right to the ballot.

* * *

Dope

The 10 most popular types of narcotic drugs which are openly sold in the Japanese Concession in Tientsin include Heroin and White Powder, both smoked with cigarettes; Yellow Powder; Sweet Pills, also called Golden Pills and Red Pills; Kuai Shang Kuai, literally "Quick," smoked with a pipe; Paper Rolls, rubbed between the palms of the hands; Black Plaster, the dust of which is scraped off and smoked with cigarettes; Opium; Morphine, and Cocaine.

CHINA'S HYPO-INFLATION: HOW TO STOP IT

By C. Y. W. MENG (孟長沐)

INFLATION is a distracting word.

It implies malaise in the movement of prices, and disruption of the whole economic system.

Past experience teaches that the issuance of high denomination notes always creates uneasiness, and sometimes, panic, in the country. Once these notes are put into circulation, prices of all commodities begin to zoom to a new height beyond control.

Ordinarily, the government can adopt financial measures to stem inflation, such as the levying of heavy taxes, enforcement of price control and rationing, the promotion of savings and an effort to increase production of consumer goods. These measures are in full force in Great Britain today. In China, however, under the present circumstances, it is not possible to enforce any of these measures effectively.

Only One Solution

In China, the situation—to put it plainly—is this: so long as the present large-scale fractricidal war goes on, it is not possible to stop the flow of printing press currency. So long as currency inflation continues, there is no way to control and regulate prices, no matter what measures human ingenuity may devise. So long as inflation and prices are permitted to act and react upon each other, and this vicious cycle is permitted to go around and around, China is simply heading for a complete economic and social breakdown.

Therefore, in order to stop inflation and to stabilize prices, the very first thing to do is to stop the civil war. That is the panacea for China's present economic paralysis.

Although Chinese financial authorities have never released any figures on note issues, some Chinese economists and statisticians have taken pains to study the situation, and to compile all the available figures into one table.

Note Issue In China, 1937-46

Year	Total Circulation CNC$
1937: June	1,400,000,000
1938	2,300,000,000
1939	4,200,000,000
1940	7,800,000,000
1941	15,000,000,000
1942	24,000,000,000
1943	75,000,000,000
1944	190,000,000,000
1945: June ...	400,000,000,000
August	500,000,000,000
December ...	1,039,000,000,000
1946: Early part	1,100,000,000,000
June	2,100,000,000,000
August	2,550,000,000,000
December	4,700,000,000,000

In the above table, it will be observed that during the eight years of our war of resistance against Japan from July, 1937 to August, 1945, China issued $400,000,000,000 worth of notes. But for a period of eighteen months of civil war, from June, 1945 to December, 1946, our note issue already totals $4,700,000,000,000.

More New Notes

The year 1947 opens with a variety of new notes of $5,000, $2,500, $2,000, CGU250 (equivalent to $5,000) and CGU500 (equivalent to $10,000) denominations in circulation. Part of the new notes of the $5,000 denomination were printed by the Central Printing and Engraving Bureau, part by the Ta Yieh Company.

Some Chinese statisticians have attempted to estimate the amount of new notes by studying the serial numbers on the back of these notes. They have reached the following conclusions:

Denomination of Notes	Possible Number of Notes	Possible Amount Issued and To Be Issued
$5,000	1,351,998,648	$6,759,993,240,000
$2,500)		$1,689,998,310,000
$2,000)	1,351,998,648	$1,351,998,648,000
CGU500	25,999,974	$259,999,740,000
CGU250	25,999,974	$129,999,870,000
Total		$10,191,989,808,000

"Big Notes"

Beginning April 23, new notes of CN$10,000 - denomination, printed jointly by the Central Printing and Engraving Bureau and the Hongkong Printing Plant of the Chung Hwa Book Company, were put into circulation.

Chinese statisticians and experts have also studied these new "Big Notes," and have estimated by various means that the amount of this latest denomination, already issued as well as to be issued, may be $13,519,986,480,000.

It is further pointed out that of this amount, $259,999,740,000 is to be issued in Shanghai.

Why the Central Bank of China undertakes at this time to issue these "Big Notes," instead of printing more notes of the $5,000—denomination and more, Customs Gold Units equivalent to $5,000 and $10,000—all of which are already known to the public—is indeed more than mysterious. Had the latter alternative been taken, the effect upon prices and public confidence would not have been so sudden and disastrous. Aside from this mystery, the estimated issue of all new notes of $5,000, $2,500, $2,000, CGU250, CGU500 and $10,000 denominations reaches the astronomical total of $23,711,976,288,000!

Some Flimsy Arguments

The reasons for issuing the CN$10,000 denomination notes, as given by the Chinese authorities, are to encourage production, to promote overseas Chinese remittances and to invigorate the circulation of capital.

No one will take any of these arguments seriously. Every observer knows that the issue is necessitated by the war — the civil war. So long as this civil war goes on, the government has to resort to the printing press to meet its huge war expenditure.

At present, for example, the payroll for one army division is estimated at $1,200,000,000 a month. Assuming that China has some 200 divisions, the maintenance cost of these divisions alone amounts to no less than $2,400,000,000,000 a year. To this, we must add ammunition maintenance cost. According to the estimate of some military experts, the aggregate of both brings the total to $6,000,000,000,000 a year.

National Budget Of 1946

A study of our national budget for the past and present years will show more clearly the seriousness of the present economic situation in China.

As is now known, although the national budget for 1946 was set at $2,500,000,000,000, our national expenditure for the year was $7,500,000,000,000, or three times the budget. As pointed out by Minister of Finance O. K. Yui, in the first five months (January to May, 1946) alone, $1,500,000,000,000 was expended. On the revenue side, during the same period (January to May, 1946), however, only some $250,000,000 was collected, leaving a huge deficit to be met by the note issue.

According to some Chinese economists, about 75 percent of the national expenditure in 1946 was military expenditure, and 80 percent was met by the printing press.

National Budget Of 1947

The situation in the present year is bound to be far more serious and critical. In the first place, we have an unbalanced budget. Our revenue is estimated at $7,033,300,000,000, while our expenditure is put at $9,320,000,000,000, leaving a huge deficit of $2,286,700,000,000.

Secondly, in 1946, the civil war was fought on a much smaller scale, with "peace talks" going on

concurrently with the fighting. But in 1947, it is a large-scale and full-fledged civil war. Far greater war expenditure is needed.

Thirdly, in 1946, China still had some foreign exchange to use, and could still raise revenue through the sale of confiscated enemy and puppet property to meet part of the huge expenditure. But in 1947, this is hardly possible. It is a well known fact that by the end of 1946, our foreign exchange and gold had been depleted.

Many Chinese economists predict—with certainty—that if the civil war is permitted to continue, our expenditure for this year will total from three to four times the budget, or, roughly, some $30,000,000,000,000 to $40,000,000,000,000.

According to the estimate of some competent economists, despite all efforts to augment national receipts, our revenue for this year can not be increased by more than $4,000,000,000,000, leaving a huge deficit which can only be met by the printing press.

By the end of this year, it will not be strange if $10,000 denomination notes no longer seem "Big Notes." New notes of $20,000 denomination, if not $50,000 or $100,000 may be issued for circulation.

U.S. Loan To China

Obviously, the attention of some Chinese is now turned to the possible American US$500,000,000 loan to China. they hope this American loan will perform the miracle of saving China. They are most happy to hear the announcement of the "Truman Doctrine," and they believe this loan definitely will be forthcoming on or before June 30, 1947.

But some competent Chinese economists and impartial observers, think differently. Assuming that this loan will be extended before the end of June, and that China has the right to use this loan in any way she may decide, they say that it will amount only to some CN$6,000,000,000,000 at the present exchange rate. This amount can only balance —and meet—a small part of our big deficit and huge war expenditure.

Second Peace Mission

There is no doubt that this small amount will be used up quickly, and China will be in the some desperate economic position as before. We may tide over the economic crisis in June with this American loan, but we will face the same crisis after a short time. "How long can Uncle Sam support us with loans?" they ask. With this in mind, it is not surprising that most Chinese are not interested in the pending American loan. When questioned, these people say: We only welcome foreign loans for productive and reconstruction purposes; we do not like "political loans," and we are strongly opposed to any foreign loan which will go for our war effort, wholly or partially, directly or indirectly.

Many Chinese further opine that the United States would do a greater favor to the Chinese people by sending a second "Peace Mission" to China in an effort to achieve Chinese unity, rather than by granting a US$500,000,000 loan which the Chinese do not appreciate. The simple reason is that while our civil war is growing in intensity is no time to talk about production and reconstruction and the enforcement of three-year or five-year industrial plans.

National Assets

Similarly, we find many Chinese are opposed to the sale of confiscated enemy and puppet property, now under government operation, to the public at this time. Reportedly, in an effort to increase the national revenue, such a sale has already been approved by the Executive Yuan. In fact, this sale constitutes an important part in the Emergency Economic Measures recently promulgated by the National Government.

But in the opinion of many economists, such a sale does not amount to the "transfer of government-operated enterprises to private hands," as it may sound; it is only a sale of national assets for the purpose of the civil war. For this reason, many Chinese are opposed to it. China must not waste her valuable national assets.

China's Only Hope

After a close study of Chinese opinion, we discover that it is the conviction of many that so long as the civil war goes on, there is no way out for China. No American loan—be it US$500,000,000 or US$1,000,000,000—nor the issuance of the 36th Year US$100,000,000 Bonds and the 36th Year US$300,000,000 Short Term Treasury Notes, nor the Emergency Economic Measures, can help us.

China's only hope lies in the immediate cessation of the civil war, to be followed immediately by the disbandment and reorganization of armies and the reduction of military expenditure. The disbandment of one division (as stated in the foregoing, the maintenance cost for one division is CNC$1,200,000 a month), for example, is sufficient to support no less than 30 universities in China.

Therefore, it is very clear that only when China has peace, can the present hyper-inflation be stopped, and prices be stabilized. Then more funds can be diverted to reconstruction and productive purposes. At that time, foreign loans to China will be most wholeheartedly welcomed and appreciated by all the Chinese people.

Almost 20 percent of the industrial equipment under a CNRRA-National Resources Commission contract of last December has been delivered by the relief agency to date. The contract totaled US$7,800,000 and the breakdown of deliveries shows that US$97,326.08 worth of coal mining equipment in December, US$-71,920.64 in January, and US$2,942.21 in February, has been handed over. In addition, US$1,147,028.22 worth of steam turbines units, iron pipes, motor generating equipment, etc., was delivered in March.

CONNELL BROS. CO., LTD.

Established 1898

Importers & Exporters

149 Szechuen Road, Shanghai Tels. 16833-2-1

Head Office: **San Francisco**

Branches:

New York Bombay Tientsin

Affiliated Companies:

CONNELL BROS. CO. (HONGKONG) LTD.
Hongkong and Saigon

CONNELL BROS. CO. (MALAYA) LTD.
Singapore and Penang

CONNELL BROS. CO. (PHILIPPINES)
Manila, Cebu and Iloilo

Communists' Hold On Fighting Men Analyzed In Postmortem On Yenan

By A FOREIGN CORRESPONDENT

(Editor's Note:—This is the second of a series of three articles on Yenan.)

Yenan, April 5 (Delayed).

WE are visiting a Yenan whose crest has fallen. Officers attached to Nationalist General Hu Chung-nan are anxious to help us, and spare no effort to collect "people of Yenan" to furnish us with a verdict on the Communists. And yet, Yenan today can provide at best only a tolerable postmortem. A number of vital factors on the Communists' part in the civil war remains shrouded in mystery. Fabulous charges and counter-charges can only be brushed aside as intriguing propaganda.

If it were possible for a whole nation to commit suicide in order to avoid further agony, then the Chinese people would be close to doing so. With the exception of the plentiful supply of generals and politicians, no man loves to kill his brother or leave behind him a widow and orphaned children, in the cause of civil war.

Generalissimo Chiang Kai-shek has power and territory, and he has allied himself to antagonists of Communism. He has friends abroad—mighty America—who feel grateful to him, and believe that the good Generalissimo is fighting their battle on an international level. Six thousand men belonging to the U.S. Army, Navy and Air Force, and millions of dollars, remain at the disposal of the Nationalist Government.

Unanswered Questions

If all the "atrocities" committed by the Yenan Communists were to be only half believed, then those super-fascists and lackeys of Soviet Russia should have succumbed much sooner. The Communists have no arsenals or ordnances, no Navy or Air Force, and no modern war transportation. How, then, do they contrive to continue and even expand their war effort? How do they provide supplies to their troops at the front? How do they extricate their troops successfully from a seemingly hopeless position? One raises these questions in Yenan today, and they only echo and reecho.

How did the Yenan Communists accomplish the feat of carrying almost every man and woman, young and old, and every animal with them in their retreat? One ready answer given by the Nationalist officials and former Yenan inhabitants is that the Communists drove them all away at gunpoint. This would rank as a major achievement in the history of any war. For when has an army, in full retreat, and devoid of any transportation worth mentioning, ever succeeded in taking with it whole populations?

The answer seems to lie in the fact that, of Yenan's population of 50,000, not more than 10,000 were the local Lao Pai Hsing. The remainder were Party workers who had gathered during the last 13 years from all over China, and settled down in Yenan in order to learn the art of revolution. All Yenan went with the Communists. On the 16th day after the fall of Yenan, as we entered the city we saw barely 200 people, most of whom had been drafted by the victorious army and brought from other areas for labor gangs. On the second day, we saw more than 1,000 old men, women and children trudging back to Yenan after spending a fortnight in the wilderness and hills.

No Young Men

Our host, General Hu Chung-nan, had thought it wise to bring with us some slaughtered pigs for food, but on the second day the picture became brighter and we saw a cow in the streets. Today we saw some dogs.

No young men have yet returned, however. As was expected, the returning people are full of personal stories of the vandalism of the former Communist regime. Women, with tears in their eyes, have harrowing tales of separations from sons and daughters and husbands who have been taken away with the Communists. The old complained spiritedly that the Communists had systematically liquidated their big estates. The younger ones recalled how the Communists were forcing them to have three marriages, so that they would be able to assert the rights of three divorces.

A few wanted to prove that the Communists had far less scruples than the atrocious warlords who planted opium and plucked handsome profits from victim smokers. We were even shown a packet of opium, alleged to be Communist opium, but a cynical correspondent remarked: "But, sir, opium smells only of opium. It cannot smell Communist or Kuomintang!" We could find no one who would admit that opium had been planted on his farm, but it was stated that the Communists allowed only their Eighth Army Route soldiers to plant opium, and then only in secret, guarded areas.

Medieval "Justice"

People came forward claiming to be former "Labor Heroes," or Secret Service Agents, or members of the People's Assembly, and dictated statements about the medieval "Justice" under the Communist government. An apprehended landlord or blackleg will be arraigned before a mass meeting of the people, and the mob will be encouraged to stone and beat up the accused.

The self-styled President (under the Communists) of the Yenan Chamber of Commerce, exposed with great feeling the ingenious laws of loot of the Communist government. This gentleman was made to stand for seven consecutive days and nights, without food or sleep, by the Communists, until Yenan was captured. We were slightly surprised that, after such barbaric torture, he not only should have survived, but that in a bare two weeks he should look more healthy than any one of us 50 correspondents, with the possible exception of one. On the one hand, the civil war has assumed such a totality, and, on the other hand, the Lao Pei Hsing's struggle for survival has become so crucial, that one could not help feeling that stone and dust could be more honest than man, in given circumstances.

Arms Captured

In a double-storied mudhouse, where a few weeks back a family had lived peacefully, we saw machine guns, mortars, rifles, guns and land-mines, captured from Communist troops and stored there by General Hu Chung-nan. In most cases these had been captured originally by the Communists from the Japanese or from Nationalist troops, but our escorts stated that the Nationalist-made weapons had been issued to the Communist armies 10 years ago to fight the Japanese.

The Communists manufactured hand-grenades, land-mines and revolvers. A foot-long piece of wood, looking like sugarcane, with an iron knob at one end, could kill more than 10 people at a stroke, if the thin cotton thread at the top is pulled at a calculated moment. The land-mines were all-iron balls about the size of a big coconut, stuffed with explosives and weighing about one pound. The pistols were funny looking contrivances—but none the less deadly—made of a crude pipe and a rude trigger.

And then we came across another most baffling riddle of China's civil war—the morale and manpower of both of the armies disputing the right to write China's destiny. The Nationalist side is fairly well known, and so are the fundamental, political and economic causes which affect the morale of the people under the Nationalist Government. But how about the Communists? Airplanes, railways, trunk roads, motor cars, big factories, busy ports and glamorous imports; recognition of Nanking by the whole world, and powerful American interest in China—all these things should normally assure psychological loyalty of the people to the Nationalists rather than to the Communists.

Red Army Increasing

It is difficult to dispute the fact that the Communists have succeeded in recruiting approximately 150,000 regulars in the Eighth Route and New Fourth Route Armies, and about 300,000 additional recruits for guerrilla units and local militia. In addition, in recent months they have formed a number of units of Manchurian, Mongolian and Korean soldiers. How does this happen? No Secret Service, and no Police Rule could deliver the goods, when their hold over territories is always so shaky and uncertain, and their war machine so primitive.

Moreover, their alleged sins should have alienated them long ago. A man drafted under terror, without his heart in the war, never misses the opportunity to surrender or

desert, and the Communist army should surely have crumbled. Where, then, was the answer? We turned to the Red prisoners of war for the clue.

There are no "martial" classes in China, and the order of warlords and the armies of clans is fast dying. The Communists secure their soldiers almost exclusively from the Lao Pai Hsing—the peasant. Mao Tse-tung himself initiated his public career by running an agricultural school in his home province of Hunan. The officer class, with the exception of a few intellectual and political officers, are also peasants. This character of their armies entails obvious disadvantages.

In both mechanical warfare and organization, their armies must inevitably yield considerable superiority to the Government troops, who have been trained and equipped by U.S. officers. In an international war, this weakness would prove fatal. But a civil war does not bring out that spirit of vengeance and cannibalism which a total war between two countries develops. However, it gives great mobility and flexibility to the Communists' war effort, particularly when their entire strategy is based on holding their positions by guerrilla tactics.

Prisoners Interviewed

What did we find after meeting a few hundred men and two or three officers of the Eighth Route Army? If these were fair samples of the Communist armed forces then it was indeed a "people's army," in one sense, at least. These soldiers seem to be militia. They were either passionate youths or rugged underdogs. They had had very little army training, and what training they had received was in guerrilla warfare.

Our political cross-examination yielded the same arguments against the Communists that we had heard before—the fraud of "New Democracy," "Secret Service," "Liquidation of Landlords," "Social Coercion," "Thought Control," and "Opium Planting." However, political questioning of prisoners in a long drawn out civil war is usually not profitable. A few of the more courageous among them did not complain of the Communist conscription against the people's will, but explained that they had joined the Communist army during the war to fight the Japanese.

All prisoners, however, were disillusioned about the Communists. There were only two exceptions—a brigadier and a regimental commander. They spurned the Nationalist generals who were with us during these interviews. One of them persistently ignored all Chinese and other foreign correspondents who attempted to question him, but apparently the white cap of one of the foreign correspondents evoked some enthusiasm in him and encouraged him to answer some deeper questions. The tough brigadier counselled the Chinese press and Nationalist generals to control their premature elation, because, he assured them, the whole nation would soon rise in a revolutionary movement and defeat the Nationalist Government's superior forces. Chiang Kai-shek was a traitor—a tool of Uncle Sam, so the fiery Brigadier believed.

Political Reeducation

A common soldier, in either of the camps, hates war. These prisoners of war are not shackled, neither are they held behind bars. As usual, they will be given an intensive course of political reeducation by the Nationalists. At the time of our interview, none seemed disposed to join the Nationalist armies in order to fight the Communists whom they had just cursed so strongly. Almost all of them would prefer to return to their villages—and to farming.

800,000 Refugees Swamp 2 Towns As War Engulfs Northern Honan

By DUNCAN LEE

(Special Correspondent, The China Weekly Review)

Kaifeng, April 28.

WITH the rediversion of the Yellow River to its old course in Shantung and northeast Honan, the section beyond the River has been somewhat cut off from the main portion of Honan. In the latter part of March, the Communists, taking advantage of this situation, and using about 60,000 men, launched a violent attack on Tangyin, Chihsien, Weihwei and Sinsiang from (1) the Shantung-Hopei-Honan border, (2) the districts northwest of Kaifeng, and (3) the Taihang Mountain regions.

At first, their vanguard made a surprise attack on Chungyi, a small Peiping-Hankow Railway station, south of Sinsiang. They took it without encountering much resistance. Then, consolidating their positions and with their main body of troops arriving, they started an all-out war in the province. Sinsiang was threatened with a siege, while Anyang, Honan's northern frontal district, was isolated as Chihsien fell into Communist hands.

The most furious and terrible battle was fought at Weihwei. On April 1, the Communists threw some 20,000 men against the city wall, which was defended by General Wang Chung-lien, Commander-in-Chief of all the armies stationed in North Honan. But after two days of stubborn resistance, in which 11 onslaughts were repulsed, the Communists were forced to withdraw. Both sides suffered heavy casualties.

Morale High

Stories told by refugees indicated that the Communists' morale was very high. Wave after wave of untrained, newly-recruited farmers, carrying only two or three grenades in a basket, would climb up the city wall only to be mowed down by a ceaseless rain of machine-gun bullets. When one batch of men rolled down from the wall dead, another group would be ready to reinforce the attack. They did not seem to realize that the "devil banjos" were sure to take toll of their lives. Nor did they consider that these modern weapons were superior by half a century to their homemade grenades.

These courageous deeds are always interpreted by the Nationalists as being the acts of ignorant countrymen, herded on by merciless gunfire and driven out of their minds by the bullets flying around, thus causing them to show unusual brutality. Only a few days ago they had been plowing their fields, not caring whether the Communists or Nationalists occupied their villages.

Captured, and asked why that had acted as fiercely and courageously, most of them replied: "I was a farmer only a few days ago. I don't know why I acted so, or what it was I fought for." It is said that numerous students were dragged to the front; their innocent deaths were truly tragic.

Retaliatory Measures

Nationalists and Communists are now taking severe retaliatory measures against each other. It is reported that 100 Communist girls, engaged in propaganda work, were executed when taken prisoner, while the Communists are said to have tortured to death government and military officers and schoolteachers.

The tension was relaxed a little for a few days when the Communists retreated along both sides of the Railway, and the Nationalists withdrew to south of Chihsien. Yet the temporary lull only forecast another large scale battle, which developed stormily a few days later. The Communists having captured Chihsien, threatened Tangyin, where grim and relentless seesaw hand-to-hand fighting occasionally raged in the suburbs.

The present situation in North Honan is not encouraging. Chihsien has fallen to the Communists and the fall of Tangyin is imminent, although local newspapers have claimed many small victories. Anyang and Sinsiang are still in Nationalist hands. There are 800,000 refugees concentrated in the two towns, but having no "passes" or identification cards, most of them are barred from entering the walled city. They have to live in the suburbs without shelter.

Due to bad communication facilities, still more refugees enroute to Chengchow and Sinsiang were stranded half way and many of them are living in the trenches dug for military use. They, too, are suffering from the ever-skyrocketing commodity prices due to disrupted or requisitioned means of communication.

Big Cities Nervous

Weihwei has virtually been evacuated and is expected to be entirely abandoned, while Sinsiang is still enjoying peace, although the war theater is drawing nearer and nearer to that town. At present, as the whole north Honan area is in a state of conflagration, Kaifeng, Chengchow and Loyang are suffering badly from war nerves.

Two hundred thousand civilian

Communism Conspicuous Target In U.S. Congressional Circles

By EDWARD ROHRBOUGH

WASHINGTON, Apr. 20.

A NUMBER of Republican Congressmen were talking over the national political situation and they were a little worried. A recent Gallup Poll had shown that Republican popularity is somewhat less than when the GOP gained control of Congress last fall.

"You know why it is?" growled one, a representative from a coal-mining area. "It's because they expected us to hang labor leaders the first week we were in. They don't understand we can't do that. We have to have committee meetings and hearings."

The Congressman left little doubt that he expected to "hang" labor leaders before the 1948 elections.

His interpretation of the Gallup Poll findings might surprise any except observers who are close to Washington affairs these days. In spite of the numbers of bills they have presented before Congress, all aimed at limiting the power of labor, and in spite of their vigorous efforts to make the Committee on Un-American Activities even a better publicity-getter than it was under John Rankin and Martin Dies, the Republicans feel they have not done enough.

The one conspicuous target of the Republicans is Communism, American, Russian, Chinese or otherwise, but you don't have to talk long to most of the Congressmen to discover they think a Communist is anyone who doesn't want to outlaw the trade union closed shop. Washington sees daily proposals to outlaw the American Communist Party and "all its sympathizers," to make the reading of Marxist and Leninist books illegal, and in fact to do everything but hang Karl Marx in effigy from the Capitol dome.

But for all their zeal, the Republicans did not manage to monopolize the anti-Communist witch-hunt. It's a quiet day on the Hill that John Rankin doesn't come up with a suggestion that sounds as if it had originated in Nazi Germany instead of his own democratic domain of Mississippi.

President Truman took the ball for the Democrats most spectacularly with his plea for loans of money and technical experts for Greece and Turkey, and he helped build their anti-Communist platform domestically by announcing a purge of government officials and by denouncing "Communist-front" organizations whose identities would, however, be kept secret.

Truman Steals Show!

The entry of the Democrats into the anti-Communist, anti-labor field has made many of the Republicans unhappy and it is not unusual to hear plaintive bleats from them off the floor that Truman has abandoned Roosevelt's policies. It wasn't fair. They were all set to attack New Dealers as Communists and Communist-sympathizers and Truman stole their show.

The New Dealers and Liberals are getting a little nervous themselves, for it's getting pretty obvious that the forces of reaction, both Democrat and Republican, are aiming at them just as clearly as at the American Communists. Various liberals, Max Lerner of the anti-Communist PM among them, have suggested tentatively that they are the people who know Communists best and they should be chosen for the job of purging Reds from the government and elsewhere. It has not made them feel easier that their suggestions have been scornfully rejected by the rampant Congressmen.

Liberals On Spot

The plight of Liberals, even anti-Communist Liberals, has thus become fairly complex. It isn't enough for them to prove they're not Communists and have never been in sympathy with Communists or Marxists. Their opposition is still suspicious.

The case of David E. Lilienthal, up for appointment to head the Atomic Energy Commission, is clearly in point. Lilienthal proved to everyone's satisfaction that he wasn't a Communist, that he hadn't allowed Communists to operate in the TVA project, which he formerly headed, and that he opposed the American Communists and the USSR and its ideas. Catholic priests came to urge his appointment.

That wasn't enough. He was next denounced by Senator Homer Ferguson (R-Mich.) as being a "socialist-aristocrat" who might not like the Communists but who didn't hate them enough and therefore might be indifferent to their presence in an organization he supervised.

It's tougher yet for government employees in Washington. According to Washington newspapermen, few government employees dare to read Henry Wallace's "New Republic," or the "Nation" openly.

Vague On China War

Worried by the Gallup Poll and his chances in '48, the run-of-the-mill Republican Congressman is even more vague about the Chinese Civil War than he is about what constitutes an American Communist. He would like to believe Nanking dispatches that the Nationalist Armies are winning and that they are wiping out the Communists, but the reports have fooled him too often. He has faith in the accuracy of Marshall's report, but the report didn't give him any clue as to what ought to be done.

I have not met any Republican Congressman who expressed any interest in the welfare of the Chinese people or their desires. The only interest was in the probability of Chiang Kai-shek's military success.

The run-of-the-mill Republican Congressman is beset by many doubts and fears and by the perversity of the shifty Democrats. He finds it safer to stand solidly on a platform of "stopping the spread of Communism in the world." It sounds good, too.

---

refugees and 7,000 schoolteachers, students and public functionaries have already poured to the south of the River. Trainload after trainload of these people is still pouring in like tides. But what will they do when they arrive? Starvation and like privations only lie ahead.

The trains carrying wounded soldiers to Kaifeng and Chengchow will load tons of ammunition and reinforcements to be taken back to the front. What a silly picture these things paint when they are coordinated and studied!

Air traffic has been very active here, too, for the last 10 days. It is said that all supplies to Anyang, Weihwei and other isolated localities are airborne. Squadrons of airplanes hum by all day long, circling the sand and dust-ridden sky over the city area and stimulating a mingled sentiment of anxiety and unspeakable agony which overshadows the whole populace.

Relief Funds Needed

The Provincial Government has dispatched Directors Wang and Li, of the Education and Social Departments respectively, to Chengchow with a relief fund of CNC$10,000,000 to help alleviate the plight of the refugees and to find some place for the students to resume their studies. The Provincial Political Council has wired to President Chiang and the Ministries of National Defence and Education in Nanking, asking for more relief funds, ammunition, troops and temporary schools.

The Social Bureau, cooperating with CNRRA and other relief organizations, worked out a plan and agreed to take the following steps:

(1) Meal Stations to be established at Chengchow by CNRRA.
(2) Small loans to be extended to those who are unable to receive material relief, but can earn a living by peddling.
(3) CNC$10,000,000 for the setting up of tents, subject to the approval of CNRRA.
(4) All able-bodied men to be transferred to the flooded area, where they will be given work.
(5) As the housing shortage in Chengchow is acute, and only 80,000 refugees can be accomodated, those in excess of that number will be transferred elsewhere.

Some observers here opine that the Communists are attempting to capture north Honan, or if possible the whole railway area from Shihchiachuang, Hopei, to the north bank of the river in exchange for Yenan. If this is the case it will be a long time before the present hostilities in the province end, unless one side is swiftly defeated.

International Trade Conference At Geneva—And China

By LIN WO-CHIANG (林我將)

THE fact that world peace would be promoted by the removal of economic barriers and the equalizing of trade conditions among all nations was recognized by President Wilson as early as 1918, as indicated in the third of his 14 Points. This principle was later incorporated into Article 23 of the League Covenant, in which the members of the League pledged themselves to "make provision to secure and maintain equitable treatment for the commerce of all members of the League." They pledged that "in this connection the special necessities of the region devastated during the war shall be born in mind." For the furtherance of these principles the Supreme Economic Council was established in 1920. It at once took steps to demobilize wartime controls—exchange controls and prohibitions on exports and imports.

However, European nations soon returned to discriminating tariffs as practiced before 1914. The aforementioned propositions were taken to mean "no restriction upon the free determination by any nation of its own economic policy, but only that whatever tariff any nation might deem necessary for its own economic service, be that tariff high or low, should apply equally to all foreign nations." Hence nations like Germany, France and Italy began to resort to policies of intensified agricultural protectionism, while upward tariff revisions and denunciation of existing treaties took place in many countries. Then in 1929 the "Great Depression" started.

Trade Control War

This world-wide economic calamity spared neither the United States nor the United Kingdom. The latter country abandoned its traditional free-trade policy, replacing it by the imposition of emergency duties in 1931 and by the first general tariff in 1932. The United States' traditionally protective attitude was drastically intensified, culminating in the Hawley-Smoot Tariff Act of 1930 which was largely instrumental in breaking down the foreign trade of several nations.

But it must not be assumed that no attempts were made to prevent, or palliate, the prevailing economic evils during the inter-war years. Efforts were made towards the improvement of international trade, as witnessed by the calling of a number of international conferences and meetings between the post-Armistice period and the Second World War. The most important of these were: the Brussels Financial Conference, 1920; the London Congress of the International Chamber of Commerce, 1921; the Genoa Conference, 1922; the World Economic Conference, 1927; the Tariff Truce Conference of 1930 and 1931; the London Monetary and Economic Conference, 1933; the Copenhagen Congress of the international Chamber of Commerce, June, 1939. This last was convened when war was imminent, and recommended "a procedure which will render unnecessary the movement of armies across frontiers and which will substitute, therefore, an increasing movement of goods, services and capital."

In some instances minor successes were achieved, but taken as a whole these international endeavors failed to bring the world the blessing to which it had been looking forward ever since the signing of the Peace Treaty. They failed because those who promoted them were working against odds—they were laying foundations on quicksand.

Adverse Psychological Factors

For against the advent of a new economic order there was arraigned a general lack of appreciation of the importance of the economic factor in world peace; the growth of economic nationalism engendered by mutual distrust and a sense of insecurity, which made national defense and self-sufficiency the chief preoccupation of some nations; there was the tendency to resort to expediency through bilateral instead of multilateral agreements where adjustment of tariffs, exchange control, supply of raw materials, etc., were concerned. What is more, there was no international trade organization which really could aid and regulate world trade.

(The unsteady political outlook that prevailed encouraged the belief that a second world war was inevitable; hardship suffered during the blockade of 1914-1918 *caused certain nations to try to produce anything they might need in case of war, disregarding the economic consequences of such a policy.)*

It is perhaps because the peoples of the world have learned the bitter lessons of the past that far-sighted statesmen like Roosevelt, Churchill, and Hull laid so much emphasis on the economic element in the peace settlement and the maintenance of peace in the future, as evidenced by their public statements. For example, in the Atlantic Charter of 1941 these two world leaders laid down the principle that they would endeavor "with due respect for their existing obligations, to further the enjoyment by all states, great or small, victor or vanquished, of access on equal terms to trade and to the raw materials of the world which are needed for their economic prosperity." It is significant that of the eight principles in the Atlantic Charter, four deal with world economic problems.

Cordell Hull stated in 1944, in his 17 Points, that the United States stands for "a machinery through which capital may—for development of the world resources and for the stabilization of economic activity—move on equitable terms from financially strong to financially weaker countries."

For the same reason, the Charter of the United Nations provides for the setting up of an Economic and Social Council. This is to have the power to make or initiate studies and reports with respect to international economic matters, to prepare draft conventions and to call international conferences on matters falling within its competence. These ideals of the world leaders and the economic provisions in the UNO Charter seem to have assumed a more concrete shape now that UNO has decided to call an International Trade Conference.

The Preparatory Committee of the coming International Trade Conference is actually sitting in Geneva at this very moment of writing. The conference, which opened on April 10 at Geneva, is the second session of the Preparatory Committee of the International Trade Conference. The first session was held in London on October 15, 1946. Delegates from 18 countries attended the meeting. They are now at Geneva to finish the preliminary work for the ITO Conference, to be convened this fall.

The early convening of a world trade conference by UNO was largely due to the suggestion of the U.S. Government. Moreover, the American "Proposals for Expansion of World Trade and Employment" were transmitted to different governments for their consideration, after being published in December, 1945. A draft charter of the International Trade Organization was also submitted by the Americans to the Preparatory Committee at its first session. The steps taken by the United States Government to promote this movement have greatly expedited the progress of these committee meetings.

American Proposals Vital

What the functions and powers of the international organization will be and what kind of problems the coming World Trade Conference will face have been largely revealed in the American proposals and the draft charter mentioned above. Both have received favorable consideration from all governments, including the Chinese Government. These documents have been the basis of the Preparatory Committee for discussion by the delegates. In the foreword to the United States draft charter the chief features of the proposals are summarized as follows:

"These proposals put forward the idea that there should be established an international Trade Organization of the United Nations, the members of which would agree to conduct their commercial relations in accordance with rules to be set forth in the Charter of the Organization. The proposals contained suggestions for rules to govern trade barriers, restrictive business practices, intergovernmental aspects of domestic employment policies, and outlined a suggested structure for the International Trade Organization itself."

In the suggested Charter it is stated that the purposes of the ITO shall be:

1. To promote the solution of problems in the field of international commercial policies and relations,

through consultation and collaboration among members.

2. To enable members to avoid recourse to measures destructive of world commerce by providing, on a reciprocal and mutually advantageous basis, expanding opportunities for their trade and economic development.

3. To encourage and assist the industrial and general economic development of member countries, particularly of those still in the early stages of industrial development.

4. To promote national and international action for the expansion of the production, exchange and consumption of goods, for the reduction of tariffs and other trade barriers, and for the elimination of all forms of discriminatory treatment in international commerce; thus contributing to an expanding world economy, to the establishment and maintenance in all countries of high levels of employment and real income, and to the creation of economic conditions conductive to the maintenance of world peace.

5. To provide a centralized agency for the coordination of the work of members to the above ends.

China's Interests

Undoubtedly, China should subscribe to the above aspirations to a better world economic system such as that proposed by the United States. She would be more than willing to open her market (which, in fact, was open for the hundred years preceding the last war) to foreign trade. But this would be contingent upon her having access to foreign markets for her own goods. China stands to gain in supporting a world trade organization. After the terrible devastation of the war she needs material help and generous cooperation from foreign countries. She needs general rehabilitation as well as economic reconstruction. The removal of trade barriers would create favorable trade conditions for China as well as other countries.

China's position relative to the ITO was clarified by Mr. Wensz King, leader of the Chinese delegation to the Preparatory Committee Conference at London last October. Pointing out the special conditions prevailing in China and other countries similarly situated, he said:

"The Chinese Government attaches great importance to the proposals....the more so as special attention will be given to the conditions prevailing in those countries whose industry is still in its early stages of development, as well as the abnormal situation in the national economy of those countries which suffered from devastation and dislocation due to war...."

Temporary Expedients

Regarding the relinquishment of high tariffs, restrictions and other measures of economic control, China is as ready as any other nation to see this done. As to tariffs, until China regained customs autonomy in recent years she was bound by treaties to levy import and export duties averaging no more than five percent, which was ridiculously low. Recent measures for the restriction of imports and exports and for exchange control seem to be giving Chinese and foreign importers and exporters severe headaches. These measures are, as Dr. Wellington Koo, Chinese ambassador to the United States, pointed out, "perforce expedients of temporary application for the sole purpose of tiding over the transitional period from wartime economy to that of a normal character." Indeed, some of these restrictive regulations are called "emergency measures" or "temporary measures," e.g., the "Temporary Measures for the Regulation of Imports and Exports," promulgated on March 1, 1946.

As has often been said, trade is a two-way traffic. Dr. Koo's statement provides an answer to the question of why China has resorted to these measures. For these reasons those nations financially stronger should lend her a helping hand which in the end will be mutually beneficial. It is not too much to say that they are morally obligated to do this. Apart from the UNRRA allocation, China, who fought longest and suffered most during the war, has received about US$143,000,000 from the United States. Compare this with the US$4,400,000,000 received by Great Britain and US$2,400,000,000 by France.

Since the end of the war China has been confronted with a most embarrassing economic situation, which forces her to have recourse to emergency economic measures. This unfortunate situation is not of her own making; it is the result of the war. She now needs substantial aid from her allies; she also expects consideration in regard to tariff reduction and the removal of certain restrictions, to which she agrees in principle. These are at present under discussion by the Preparatory Committee at Geneva. The leader of the Chinese delegation expressed himself in no uncertain terms at the first plenary meeting on April 11.

He said that countries with sellers markets and with their economic machinery geared to full production should have a greater responsibility in the success of the forthcoming tariff negotiations than nations economically less developed. Concessions made and gained in these negotiations should balance each other, but in measuring the sacrifices made by any country the stage of its economic development should be taken into consideration. Its postwar reconstruction problems and the level of its present tariffs should also be considered.

Foochow-Amoy Road Restoration Under Way Despite Difficulties

By SWAY C. Y. CHENG (徐誼)

PRIOR to the war the Foochow-Amoy Highway was the main artery of Fukien. To thwart the enemy during the war various sections were destroyed from time to time. Its importance is attested by the fact that even when both ends were held by the enemy, that part which was free was still in use.

The road stretches for 297 kilometers from Foochow south through the districts of Linson, Futsing, Putien, Sienou, Hueian, Chuangchow, Nanan and Tungan, and terminates at Amoy. The coastal districts, dense in population and rich in production, are the trade outlets of Fukien.

Immediately after the war the Fukien Provincial Government set out to restore the road, but the task was beyond its financial ability. Thus the scheme has been long delayed.

Beginning Of New Era

The reconstruction scheme was inaugurated by Mr. T. C. Chu, Commissioner of Reconstruction of the Fukien Provincial Government, in May, 1945. In 1946 the Provincial Government, complying with his earnest request, consulted the Ministry of Communications for approval and asked UNRRA for the necessary material. A satisfactory response being received, the work was begun.

The Foochow-Amoy Highway Reconstruction Administration was formally organized, after a preliminary meeting held by the local government, including representatives of the Department of Reconstruction, Bureau of Highways, and CNRRA Foochow office. Under the Administration is the office of the Engineer-Director, comprising less than 30 persons. Most of its personnel came, for the sake of convenience and economy, from the Department of Reconstruction and the Bureau of Highways, without additional pay.

On July 1 the office set to work. As difficulties were encountered, Mr. Chu and Mr. Chang Cheu-chen, Director of the Bureau of Highways, approached the authorities in Nanking and Shanghai for help.

Difficulties To Be Overcome

Their problems were, specifically, as follows: (1) Freight charges for more than 10,000 tons of tools and machinery. (2) More than 700,000 gallons of oil needed for machinery and transportation. (3) Wages.

These problems were solved with the help of UNRRA and the Ministry of Communications. CNRRA decided to include road construction tools and machinery among relief materials sent to Fukien without charge to the local government, and to supply the necessary oil. It was decided to supply food for the workers, each to receive two catties of flour a day with extra allowances according to occupation—unskilled worker, skilled worker or patrolman.

The financial condition of Fukien was such that further help was needed. Wages alone amount to CNC$1,809,000,000. With other expenses, excluding consumption materials and machinery supplied by CNRRA, the total expenditure amounts to CNC$12,146,500,000. Of this amount CNRRA is responsible for CNC$7,171,500,000, the remain-

der, CNC$5,075,000,000, to be supplied by the Ministry of Communications and the Provincial Government. The latter is to contribute CNC$2,000,000,000.

UNRRA became convinced of the importance of the work and sent Mr. Vernon W. Grace, a New Zealand highway expert, to Fukien in June, 1946. Accompanied by Mr. Y. T. Chen, technician of the Department of Reconstruction, he spent 12 days in a detailed survey of the road. At the same time Mr. C. C. Cheng, technician of the CNRRA Foochow office went on an inspection trip from Foochow to Amoy. Based upon their findings Mr. Grace drew up plans for the restoration of the highway in July and decided to use UNRRA machinery and personnel, the promise of which he obtained in Shanghai. Thus the Foochow-Amoy Highway is the first in China to be repaired with machinery since the war.

Work Commenced

On Mr. Grace's return from Shanghai work was actually begun. Late in September the Third Mechanized Road Construction Corps of the Ministry of Communications came to Foochow to assist in the project. Meanwhile grants from CNRRA solved the problem of food for the workers.

The earthwork for the entire highway was divided into six sections. The work calls for 13,230 workers, each working an eight hour day for six months. Payment is according to local standards, ordinary workers getting CNC$3,600 a day, skilled workers CNC$8,200, and patrolmen CNC$8,000.

But the road construction machinery and materials, such as oil, cement, etc., were not transported to Foochow until February, 1947, when Commissioner Chu, after consulting with the CNRRA Foochow office decided that the surface should be completed no more than six months after the arrival of the machinery, the concrete bridges to be finished by the end of this year.

Machinery Arrives

The CWT LST "Wanpu" left Shanghai on February 27 loaded with 1,500 tons of machinery and oil. It reached Chuangshih on March 2 and Wulungkiang the next day. Unloading began at 10 a.m. on March 4. The quay was crowded with thousands of spectators, including the heads of various institutions and several journalists. The cargo unloaded included 30 vehicles, 32 tons of oil, 891 bags of cement weighing 40 tons, steel bars totalling 147 tons, 134 bags of tourmaline at seven tons, 435 bags of other materials at 65 tons, and many other accessories in all totalling 1,500 tons. The Wanpu was expected back in two weeks' time loaded with other road construction materials. The last of the machinery and materials will be unloaded at Kiang, Loyang Bridge, and Suitou.

Although the tremendous task is not yet completed, we owe much to Mr. Grace and to the authorities concerned for the bright future of communications in Fukien.

Twilight Of Vice

IX.—Students Hasten Opium's End.

By PAO YUE

A FAVORITE subject for Japanese propaganda against the British during the Pacific War was their promotion of opium in China, its sale forced in political treaties. A motion picture named "Opium Wars" was produced and widely advertised, to demonstrate the rise of a patriotic movement among the Chinese which led to a holy war against the importation of the evil drug by unscrupulous, wicked, powerful Anglo-Saxons—the propagandists in this way attacking the Americans as well as the British.

At the very time the picture was being shown, opium traffic in occupied China and Manchuria, particularly in Shanghai, set an all-time record. Never before had the sale and consumption of opium attained such extensive proportions. Never had the cultivation of poppies been officially encouraged to such an extent as during those years of Shanghai's Japanese domination (1942-1944).

Official Encouragement

There were hundreds of wholesale stores selling opium freely and in unlimited quantities under the sponsorship of the so-called Anti-Opium Commission of the puppet Chinese National Government. Opium dens in Shanghai were numbered in the thousands, dispensing tens of thousands of ounces of prepared opium to no less than a quarter of a million regular smokers in this city alone. At that time opium dens were cunningly called "Opium Suppression Resorts," which was a step forward from the clumsy appellation, "Conversation Halls," which was used from 1938 to 1941. Retail packages of opium bore various stamps and "chops," among them the large colored stamp of the Opium Suppression Commission with the image of a uniformed officer, standing in a field, cutting the tall stalks of the poppy with his saber, which was supposed to symbolize the effectiveness of the Commission's efforts. The absurdity of anti-opium propaganda when the growth of the poppy was officially sponsored and its traffic protected did not bother the Japs in the least.

Military trains carried cargoes of raw opium blocks from North China to Shanghai for further distribution in Central and South China under high priority. Millions of dollars poured into the chests of the Japanese Military Administration and into the private pockets of numerous Japanese and puppet officials.

Popular Protest

One sunny morning in the spring of 1944, as a result of this two-faced policy, a real anti-opium movement developed, conducted by the joint youth organizations and the students of various local (and Nanking) schools. This was scarcely obstructed, if not half-heartedly approved, at least in theory, by officialdom. Eventually it led to a most peculiar development; a veritable "opium pogrom" among Nantao opium dens. Thousands of young boys and girls lead by youth leaders entered the "badlands" and without ado rushed opium dens, clearing out the smokers and attendants, seizing pipes and opium, and wrecking the dens.

This onslaught was so sudden and determined and well-organized that the majority of large Nantao dens (more than 100), and a great number of smaller dens, were practically destroyed. Puppet police did not dare to interfere, seeing that the Japanese gendarmerie stood aloof, and the young people carried pipes and opium to the Race Course grounds where they solemnly burned them.

Banned At End Of June

The bewildered authorities, including puppet mayor Chen Kung-po (himself a heavy smoker), announced that they concurred with the demonstrators' sentiments, but mildly deplored their lack of discipline! However, it was now necessary to act officially, and the formal suspension of opium smoking and gambling was announced to be effective within the next three months—by the end of June, 1944. When at midnight all Nantao opium dens were officially closed for business, never to be opened again, the twilight of vice set in with the approach of Japan's defeat.

雅 新

SUN YA

TELEPHONE 90080
719 NANKING ROAD

Shanghai's Most Popular CHINESE RESTAURANT

Hygienic Methods
Pre-War Quality
Pre-War Portions
Efficient Service

ENGLISH SPOKEN

Education In China Great Failure; Teachers And Textbooks Inferior

By C. C. LIU (劉家麒)

Tientsin, Apr. 28.

SINCE the establishment of the Republic, the improvement of education has been one of our leaders' favorite topics. It is to be the salvation of the country. Thirty-five years have passed. The same critical type of speech and article appears on the subject with equal frequency, which would seem to indicate that little has been accomplished.

It is true that eight years of war were an obstacle to the fulfillment of many good plans. But the fact that the most highly trained American educated "patriotic" doctors of philosophy and law have been enriched during the lean years indicates that the educated of China are going in the wrong direction.

If there is one country in the world which is full of corrupt officials and rotten bureaucracy, it is China. The educated use their advantages to enrich themselves at the expense of their countrymen. Foreigners who have lived in China long enough are familiar with the Chinese New Year greeting: "見面發財" (literally, "May we be rich when we meet again"). This phrase is so well fixed in the Chinese mind that mammon is worshipped above all things. While the poor scholar is despised, the "brothel master" who has attained wealth is a power in the community. An honest official would be regarded as a fool and his career would be short among the wolves. Officialdom is the way to wealth. This foul way of thinking must be rectified by education.

Unhealthy Surroundings

It is not easy. The unhealthy mental environment—evil ideas and outmoded customs—that surround a pupil at home, are very harmful to his education. His teacher may tell him that the images in the temples are no more than so many heaps of clay, but his parents may give him to understand that they are gods with the power of life and death. The fact that there are so many persons visiting the temple every day and burning incense may convince him that his parents are right. For one mother who intends her sons to become honest and useful, there are thousands who want their children to be high officials and to gain wealth. In such an atmosphere how can a child develop greatness of mind?

The atomic era finds witchcraft prevailing all over China. I read in the April 26 issue of the *Ta Kung Pao*, Tientsin, of a terrible murder. A peasant of Tu-liu, Chang by name, had a daughter 30 years old. The shock of local strife between Nationalists and Communists drove the woman violently insane. Believing that a certain "wizard" living in the neighborhood could cure her with his "art," the old peasant took his daughter to the "doctor." In a fit of frenzy she destroyed an incense burner, clock, and other things in the witch doctor's house, whereupon the man became very angry and, making believe that he was Liu Hsien (the willow god), he drove the father from the room, shut the door, took off the woman's clothes and began to beat her with a red-hot poker. Then he thrust at her hands and feet with it. She cried loudly for help; her father begged through the window that the "willow god" put off the cure until the morrow. The man made no answer but went on flogging the poor creature. She fell to the ground and he trampled upon her breast. Her shrill cries brought neighbors to the spot. They forced the door and delivered the victim. She died shortly after her father carried her home.

Some years ago I had occasion to call on a Chinese "doctor". He was treating a young woman for sore eyes when I arrived. He took a piece of sulphate of copper and rubbed her eyes with it, not knowing that the poison should not be allowed to touch the eyeball, and that it should be washed away immediately. How she must have suffered!

Such things are not unusual nowadays even in large cities. They show to what an extent the Chinese people are deficient in education.

Teachers Deficient

It is an unfortunate fact that college graduates try their fortune in educational circles when they have failed in other occupations. What is more, those who have studied mathematics may be found teaching English, and vice versa, not because they are interested in the subject but because they could find no opening in their own field. I know a teacher who teaches hygiene in a middle school. He never brushes his teeth.

Educational authorities seem never to consider things from the point of view of the student. Of all the articles which appear on the subject of textbooks I remember none that did not condemn the books sanctioned by the Ministry of Education. For instance, take the textbooks for senior middle school students of English. The books are crowded with selections from the English classics. To present a student who is unable to write simple English correctly with selections from Shakespeare, Milton, Dickens, Irving, etc., is to ask him to grope in the dark. He may have learned to appreciate the beautiful description in "A Rainy Sunday In An Inn" (if he can understand it at all), yet he may fail to understand the use of the simple word "run." No wonder many of these students are unable to write a short letter in English.

With the victorious conclusion of the war, Generalissimo Chiang Kai-shek promised that "education first" should be the watchword. Nothing has been done.

A Few Suggestions

As a teacher of more than 12 years' experience, I feel qualified to submit the following suggestions for the improvement of educational standards in China:

1. Immediate cessation of the civil war.
2. Provision of economic security for professors and teachers. The half-yearly contract system should be abolished.
3. Employment only of competent teachers. They should be judged according to their interest in the subjects they teach rather than by diplomas.
4. Excellent teachers should be encouraged to go to the interior by the offer of handsome salaries.
5. More Government schools should be established and private schools should be encouraged. Education should be compulsory.
6. Textbooks should accord with the actual needs of the pupils rather than with some abstract standard of excellence.

STANDARD VACUUM OIL CO.

MOBILGAS—MOBILOIL

and

All other high quality petroleum products

"What I Desire Most For China"

By LI CHIEN-CHUNG

(EDITOR'S NOTE:—The following essay was written by a student of William Nast College, of Kiukiang, Kiangsi Province, who will graduate from that institution next month. It is presented in its original form as a commendable example of what at least one teen-age youth sees and feels in studying China's problems today.)

CHINA gained the victory at stake. It was fortunate. Every ruined place, it seemed, could be restored to its past state, and people were no longer pained about our country's work and service. They appeared smiling, and said one and all: "We may breathe from now on." These words are out of people's conscience. Of course they hope China is becoming a strong and powerful country day by day.

What do I desire most for China? I desire most for China these five things:

The first is that the civil war may be stopped. War is the most cruel and savage thing in the world because it always results in the loss of many lives and of a great deal of money. So every country which is disturbed by war must become very poor and weak. Germany and Japan were ruined by the Allies, but they have gained little worth for carrying on their jingoism, while the Allies sacrificed many lives, materials and money as well.

Why does China's civil war break out? Is it for its freedom? Is it for equality? Is it for protection? No, it is not for these, it is only that the Kuomintang and Communist parties take sovereignty by force against each other in spite of people's pain and the country's welfare.

Mass Suicide

China's body is broken due to the fight with Japan, so that she can scarcely recover her former state. In the present crisis, has she the ability to carry on civil war? Of course it is impossible. I desire that both parties of our countrymen should think in detail and know our civil war is equivalent to killing ourselves. Shall we not wake up and stop it?

The second: We must soon found various factories because China's industry is behind that of the rest of the countries. All things are depending on foreign supplies. Has China not materials? No, it is not that China's materials are more than many countries but our countrymen cannot use them while they are bought cheaply by foreigners.

China's unemployed workers fill every corner. They are both hungry and cold so that they cannot but become thieves and robbers and disturb everywhere. That Chinese should buy national goods, is the watchword today. If the goods are better and cheaper than foreign goods, or equal to foreign goods, I acknowledge the watchword is right. In fact, however, they are poorer and dearer than foreign goods.

We examine this condition. Shall people like buying national goods? A foolish man knows well that they will not buy the worst and dearest goods. Will a wise man buy them? Will the government order people to buy them? Of course it is impossible. In a word, China's industry is not developed because not engaged in well-managed factories.

Research Urged

The third: We must honor all machinists and men of technical skill who study all day long, and give prizes to them in order to encourage them to do their duty for our country. In China's community the right man is not in the right place—most professional personnel are teaching in schools. I desire that our government enlist them to gather facts, to study in centers for research, to find out some welfare for people and country.

The fourth: We should do away at once with the bad habits of smoking, drinking and gambling. People consider smoking is glorious and interesting, drinking good for the health, and gambling a recreation. In eight or nine steps there are two or three shops that are selling various cigarettes and wines. They never stop to realize that these three things are bad for their health and character; even some boys learn to like them.

No Public Spirit

The fifth: We must be honest and toil for the public welfare. Our countrymen are noted for selfishness and neglect of public welfare, and are dishonest and have not public spirit. A dishonest man cheats people with false words and appearance so that people will not doubt him. A man who is not doing his duty is called dishonest. Why is every Christian school better than another school? No doubt, it is the difference between an honest and a dishonest person; one who does his duty, and one who does not.

A Christian school has never any false pride, no excuses to make, as another school may have. I know the reason for this dishonesty is earning a living. Men fear that as soon as men do their duty, their rice bowl will be broken by another man. For the sake of the present bad conditions, they say people cannot but be false to one another. I wish the government officials could understand these dishonest evils and give various protected rights to honest men in order that every one might do his honest duty for our country and our people

That is what I desire most for China.

Li's Autobiography

I WAS born in the village of Pe-Ho-hin of Kan-zi in Hupeh Province, where there are many hills behind, and a little stream in front of it on the Kan-Hu road.

When I was nine years old, my parents sent me to the primary school that was in the district. Now it has been changed to the first primary school. As soon as I was graduated, I went to my old home in Kan-zi. This district was occupied by the Japanese army in 1937. That year they passed by my village, while my family hid from them in An-Jan mountain, but they went to another place.

In 1941, the junior middle school was established, then I studied there. In 1944 I was graduated and entered the second high school of Hupeh. It had no severe rule, so many students have various bad habits such as smoking, drinking, gambling and so on. Indeed, "white sand is darkened in black clay." According to my conscience, I asked myself: "Do you get some knowledge? Have you progressed?" No, I have not got it a little.

Last summer vacation, my father commanded me to enter this school, though I firmly believed my record cannot suit the standard of this school, yet I cannot but do so. As soon as I entered this school I felt that the good fame of this school as heard by me is not false.

What I have written in this book covers more than five years. Although my record is behind them, yet I will not lose my ambition, that is, to found a good factory in order to help every last workman; they can both earn a living for the family and can make our country rich and strong.

From now on, in order to attain my object, I will study harder, grasping and holding fast this opportunity, and never dare idle away any precious time.

EAT AT

Jimmy's

133 Nanking Road

Shanghai

Branch 11-3 Rue Montauban

Shares, Commodities Soar To New Highs; Rice Hits CNC$300,000

QUOTATIONS and prices continued to rise sharply on the Shanghai market as no definite measure has yet been taken by the authorities to cope with the present economic conditions. Rumors have been circulated as usual, causing considerable confusion in the market. Among the most important rumors is the revision of the foreign exchange rate once again in the near future.

Reports to the effect that the American Government may postpone the deadline for the American loan of US$500,000,000 to China from June 30 to a later date, has created the general belief that no American loan can be concluded before June 30 and that therefore prices of commodities will continue to increase. As a result, people rushed to buy goods, causing heavy increases during the past several days.

Shares, Rice Soar

The Shanghai Securities Exchange remained the most active speculative market in town. Although money become rather tight, quotations continued to rise. Wing On Textile shares zoomed to CNC$6,000 while Mayar Silk shares soared to CNC$30,900 on May 3. Quotations for foreign shares increased even more. Ewo Cotton touched CNC$74,000, Dockyard CNC$112,000 and Wheelock CNC$233,000 on May 3.

Quotations for both the Chinese and foreign shares increased further during the first two days of the present week. On May 5 Wing On Textile closed at CNC$6,600, Mayar at CNC$33,990 and Ewo Cotton at CNC$85,500.

Rice early this week advanced to the new high of CNC$300,000 per picul. In view of the serious situation, resulting in the looting of rice by the poor people both in Hangchow and Shanghai and the reluctance of the rice shops to sell rice at the official price of CNC$170,000 for the best grade of white rice, the authorities decided to restore free trading in rice and abolished all the official prices for different kinds of rice in Shanghai as of May 5. Meanwhile, the authorities are continuing the sale of rice at the old official prices and around 12,000 bags are being sold through the rice shops daily.

Commodities Climb

Prices of cotton yarn, cotton cloth, artificial silk, raw silk and raw cotton have not increased very much during the past few days as they already had risen sharply during the past month. However, prices of many other kinds of commodities such as cigarettes, soap, matches, paper, and industrial chemicals skyrocketed.

Although the authorities recently readjusted the official price of cotton yarn 20's to CNC$4,600,000 per piece, the cotton mills are petitioning for a further readjustment as the actual cost of production is calculated at CNC$7,000,000. This high cost is said to be due to the high price of raw cotton. Meanwhile, the China Textile Development Company is selling yarn at the present official prices.

As the Central Trust has not yet started the sale of the artificial silk recently shipped here from Japan, raw silk and rayon remained firm in the local market. While the original official price for artificial silk remains around CNC$5,500,000 per case, the black market figure is around CNC$18,000,000 or CNC$20,000,000 per case. In this situation, the Central Trust argues, it would be unwise and unreasonable to continue the sale of rayon at the official rate, which will not stabilize prices but only make it possible for those merchants who can buy from the Central Trust at official prices to make money by resale in the black market. It is reported that the Central Trust is considering increasing the official price by 100 percent.

Gold Bond Sales Poor

Up to May 3 only US$15,000,000 out of the total of US$200,000,000 Treasury Notes and Bonds offered for sale by the government as of April 5, had been subscribed by the public, this obviously being far short of the expected goal.

Workers have become more and more restless during the past week. Many strikes have been reported and the general agitation against the freezing of the cost of living index has spread. Although the authorities have indicated their willingness, in principle, to unfreeze the cost of living index, no action has yet been taken. The allowance given the workers, in addition to their wages calculated according to the cost of living index for January, was CNC$117,000 for the month of April, according to the decision of the Bureau of Social Affairs, and obviously was as inadequate as unrealistic in view of current prices.

The following list gives the quotations of some of the leading commodities in Shanghai:

	April 26 CNC$	May 3 CNC$
Bond C	14,200	19,200
Wing On Textile	4,800	6,000
Mayar Silk	19,000	30,900
Ewo Cotton ..	57,500	74,000
Rice	190,000	230,000
Wheat flour....	74,000	90,000
Peanut oil	490,000	540,000
20's Yarn	5,650,000	6,700,000
12 lb. Cloth ...	260,000	305,000
Raw silk	14,800,000	20,000,000
Artificial silk	13,100,000	18,300,000
Ruby Queen Cigarettes....	59,000	66,000
Koo Ban soap..	320,000	355,000
My Dear matches	2,300,000	2,500,000
Newsprint	185,000	200,000

BUSINESS FOOT-NOTES

The Japanese vessel Togo Maru arrived in Shanghai last week with a cargo of more than 1,000 tons of rayon, radio equipment, bicycles and sewing machines for distribution in accordance with the Sino-Japanese barter agreement. The Central Trust of China which is handling this trade has completed its examination of the cargo and will start allocation sales next week.

* * *

The Chinese Government has decided to impound all private German property in China, according to the *Central News Agency*. Measures to dispose of the property will be drafted following completion of the peace treaty with Germany.

* * *

Following the secret dumping of more than 1,000 pounds of opium in Hongkong into the sea, an unidentified Chinese began dredging the area a few hours after the dumping. It is believed that some of the opium was retrieved, as opium prices dropped sharply.

* * *

The first 8,000 pieces of silk and satin were loaded for India by the China Silk Fabrics Joint Trading Company this week, the *Chung Yang Jih Pao* reported. Another batch is to be shipped before June, prior to the imposition of import restrictions by the Indian Government.

* * *

The Ministry of Food is negotiating with the government of Switzerland for the purchase of large quantities of rice, while 100,000 tons of wheat are to be beught from Argentine, the *Shun Pao* reported.

The Taiwan Trade Bureau announced this week that several items heretofore on the restricted exports list have been "freed." Only seven kinds of commodities still remain restricted from export, including charcoal, lumber, alcohol, camphor balls, cereal and metals.

* * *

The China National Aviation Corporation will inaugurate two additional weekly flights to Taiwan next week. Planes will leave Shanghai daily except Sundays and Mondays. Passenger fare remains unchanged at CNC$360,000 to Taipeh, and T$10,300 from the island.

* * *

The soaring of commodity prices in Tsingtao has forced the municipal authorities there to ban all exports of cotton piece goods, peanut oil, and other Shantung products. Exports can be effected only under guarantee of importation of foodstuffs of equal value. Flour has risen from CNC$80,000 per bag in the middle of April, to CNC$130,000 this week.

* * *

The wholesale commodity price index which registered 18,142 times the 1936 base in the first week of April, went up to 21,905 in the third week, and to 24,543 in the last week of last month, according to the China Institute of Economic Research.

* * *

The Siamese Ambassador Sanguan Tularak presented China with 520 tons of rice, a gift from the people of Siam, at a formal meeting with Generalissimo Chiang Kai-shek in Nanking on May 5.

NEWS OF THE WEEK

Reds Gain Four-Fifths Of Shansi; Shantung Battle Drawn Out

THE civil war position of Kuomintang forces in South Shansi was grave this week and this was reflected in the headlines appearing throughout the week in the local press. Reports ranged from the official "obscure fighting" to "Position of Nationalist Army Critical."

Although the battle which became drawn out in Shantung still is considered to be of decisive import in the entire civil war, developments in Shansi province had a direct bearing on the former's outcome. The Communists were enlarging on their initial successes to cut the Tatung-Puchow railway and the Peiping-Loyang line, and also managed to get control of the short line linking these two vital North China railways.

With the capture of Tangyin, Puchow (Yungtsi) and a number of other cities in South Shansi and North Honan, and with a reported encirclement of Taiyuan, which had been free of the Communist threat for some time, it looked as if the Government would be unable to reopen communication lines in the two provinces as previous official announcements had indicated. In fact, the very objective of the Kuomintang drive in these areas—the "cracking open" of railways—receded in the face of Communist military gains.

In Shantung, where Government troops under command of General Tang En-po were reported to have recaptured Taian, south of Tsinan, and also broken into Laiwu, a town long in Communist hands, the campaign was progressing at a slow pace. Officially, it has been admitted that fighting in Shantung was difficult because the Government forces were fighting in Communist territory.

At the present stage of the civil war it appears that the Communists are not strong enough to face the Nationalists in a frontal battle and the towns that fell into their hands probably resulted from a concentration of forces in certain sectors with specific assignments. Thus, the seizure of ferry crossings near Tungkwan on the Lunghai railway and the bombardment of this rail center, brought to fruition the campaign to cut once more the line linking Hsuchow and Sian, which carried most of the reinforcements for the troops of General Hu Tsung-nan, who continued his drive into North Shensi and captured Suiteh.

In a speech before the Legislative Yuan on May 1, General Pai Chung-hsi, Minister of Defense, reviewing the military situation, asked "the entire nation to unite in crushing the Communists of China....who were in open rebellion against the government." He reiterated the assertion that all Government peace efforts failed to "bring the Communists to reason." He added that "constitutional government and democracy would simply be idle talk without first subduing the Communist rebellion."

In midweek, Generalissimo Chiang Kai-shek paid one of his unexpected flying visits to Tsinan, "to inquire into local conditions." This visit indicated that Shantung is still the crucial point of the entire civil war struggle.

The Communist radio, reported captured by the Nationalists when they took Yenan, predicted the imminence of "a long-term overall counter-offensive for a determined and thorough wiping out of Chiang Kai-shek's armies." The broadcast also claimed that the Government's commanding general in Tangyin, General Sun Tien-ying, was captured by the Red forces.

O. K. Yui Announces New Budget

FINANCE Minister O. K. Yui presented the State Council with China's new budget for 1947 in which a deficit of CNC$10,000,000,000,000 is provided for. The expenditures are estimated to total CNC$-20,000,000,000,000 and revenues CNC$10,000,000,000,000. This revised budget will supersede the original estimate of CNC$-9,300,000,000,000. Meanwhile, Information Director Hollington K. Tong announced a seven-point program "to curb the runaway food prices." The gist of the program is "strictly" to forbid hoarding and speculation and to bolster transportation.

Another Plan

GENERAL Chang Chun, China's premier, told the Legislative Yuan that an American loan "will be essential" for economic rehabilitation and other constructive and productive problems. To meet the budget deficit, Premier Chang said revenues must be increased, non-productive expenditures cut and domestic loans floated. How this latter measure is to be effected is not clear, inasmuch as local press reports said that only an insignificant percentage—less than 10 percent—of the domestic loan recently issued had been subscribed to date.

Minister of Social Affairs Ku Cheng-kang revealed in Nanking that the Government was at present considering measures for controling the rising prices and the spiraling inflation, but added that no revision of the foreign exchange rate was considered. Observers, judging from the record of the past, were skeptical, both on the question of price control and the rate revision.

The commodity price situation was getting out of hand with rice riots reported from Hangchow, and near-boiling point situation here. Although Mayor K. C. Wu raised the ceiling price on rice, and while there was definitely no rice shortage here, rice merchants were reluctant to sell. The freezing of the HCL index at the January level and the absence of a Government decision to settle the livelihood of the people question added to the urgency of the situation.

Citywide rice rationing was started this week in 31 different districts, with pao chia and police officers supervising the procedure, based on residential certificates.

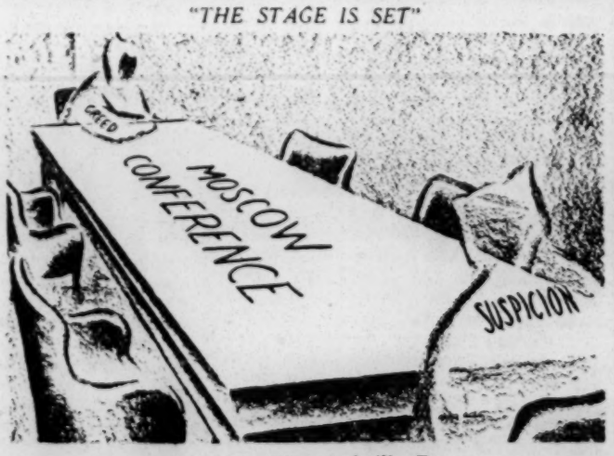
The position of private industry was likewise deteriorating as was evident from the threat made by Shanghai industrialists to effect a one-day stoppage of factories in protest against the unilateral action of the Import Control Board in announcing import quotas for the second quarter. The National Industrial Association had petitioned the Central Bank to increase the quotas for raw materials and to curb purchases of manufactured goods.

One of the demands leveled by the association through its chairman, Wu Wen-chu, industrial magnate, was that government officials should cease participating in business.

Pressure On Democrats

CENTRAL NEWS this week released the text of an alleged Communist document which gave details of how the Communist party organized its "underground activities" in KMT areas. The document implicated the Democratic League, the Democratic National Reconstruction Association, the Union of Three Peoples' Principles, and the Democracy Promotion Association, in short, all those parties and groups

"THE STAGE IS SET"



Little in The Nashville Tenessean

What U.S. Papers Say . . .

GENERAL Marshall this week again was the object of journalistic accolades. The Japanese elections were on the whole regarded as favorable. India's legislation regarding the untouchables was acclaimed, while the *New York Herald Tribune* commented on Pakistan.

* * *

MARSHALL

SELDOM has one man commanded such unanimous support from the American press as does Secretary Marshall. Many of this week's editorials were devoted to an enthusiastic reception of his report on the Foreign Ministers' Conference.

The *New York Times* characterized the speech as "distinguished alike for its dispassionate lucidity and for its firmness," and as giving added weight to Marshall's charge that the Russian government is responsible for the failure of the conference.

"It is responsible because it made agreement impossible by insisting on conditions in both Germany and Austria which made inevitable not only a further drain on American resources but also a continuous economic deterioration in all Europe, leading to new dictatorships and strife."

The paper remarked further that, "In going to Moscow Marshall undertook his first great task as Secretary of State. The report he has just made shows that at a critical moment in the affairs of the United States and of the world, American democracy has again produced the right man for the right spot. We are convinced the American people will stand behind him in the policy he has outlined."

According to New York's leftist *PM*, than Marshall, "There is no political figure in the nation today who more completely deserves our respect." The paper expressed the opinion that "each of the big two wants its own kind of Germany. The Russians want a socialized economy, with the cartel kings gone, under a leftist unified central government, preferably Communist....We must make up our minds that the one unthinkable thing for us to do in Germany is to restore the old economic regime. Just as unthinkable a thing for Russia to do is to impose a Communist regime on Germany. If each of us insists, there will be no peace, either in Germany or the world."

* * *

JAPAN

COMMENTING on the Japanese elections, U.S. papers were, for the most part, encouraged by the strength of the socialist element. According to the *Christian Science Monitor*: "The unexpectedly large vote cast for the Social Democrats ....shows that the Japanese people are at least beginning to think a little for themselves. For if they have rejected the Communists they have also rejected in part the preposterous claim of the right that General MacArthur's action in the strike (the threatened general strike last February) constituted evidence of his 'approval' of the conservative government."

The *New York Times* said: "The Japanese people are dedicating themselves to a course of moderation in spite of all their present hardships ....The increase in strength of the Social-Democrats as well as other parties appears to have been at the expense of minor splinter parties and so-called independents, which indicates a growing clarification of Japanese political thought. Despite their gain, the Social Democrats are unable to command a majority, and their ability to form a government is further impaired by a serious party split between a right and left wing. Nevertheless, whether they enter a coalition government or not, their new strength represents an important counter-weight to any conservative drift toward the old order, while the decline of the Communists holds out hope for a similar decline of rightist extremism. Japanese democracy is still on trial but it has made a good start and General MacArthur is right in encouraging it by his commendation."

* * *

INDIA

SEVERAL papers commented favorably upon India's outlawing of discrimination against the so-called untouchable caste. The *Washington Star* declared that the move, "if duly implemented and enforced, will rank with other great social reforms such as the abolition of slavery here and the freeing of serfs in Czarist Russia....The question, of course, remains how this formal outlawry of ancient practices hallowed by religious sanctions is to be practically implemented and legally enforced. But at least a concrete beginning has been made."

The *Philadelphia Evening Bulletin* noted that while the British were unable to put through this reform, "now the Hindus themselves, as a fitting prelude to the establishment of a free India, have performed this act of justice to their own countrymen."

Discussing Pakistan, the *New York Herald Tribune* said: "The arguments against Pakistan—a separate Moslem state—would be overwhelming if it were not for the bitter feeling between religious groups in India. Because of these religious hatreds it now seems probable that a political division of the country will be necessary before the British leave next year. British officials in India, although they see clearly the handicaps to the Indians which will result from such a division, now appear to be willing to accept the inevitability of Pakistan in one form or another. Even Hindus, who have so strongly opposed Pakistan, seem to be reaching the conclusion that it cannot successfully be resisted."

which remain in opposition to the "reorganized Government" in the Kuomintang areas.

One of the articles of the alleged Red document specified that all these groups would be used as instruments to "disseminate terrorist news and propagate" Communist policies.

Lo Lung-chi, Democratic League leader, and one of the staunchest supporters of the PCC, interpreted the release of this statement by *Central News* as "signals impending a well-planned suppression of the League and all other democratic organizations." This interpretation was supported by Nanking reports that the KMT Ministry of Information circularized its party offices and newspapers last week asserting the "Democratic League is completely dominated by the Communists."

The *AP* report said that the League will not be outlawed as the Communists but "its continued criticisms of the Government and obviously sympathetic attitude toward the Communists will undoubtedly invite harsh government actions."

Government Posts Vacant

IT was not altogether clear how many of the third party representatives who were invited into the Government had actually taken up their ministerial posts. Most conspicuous among those who had not was Young China Party leader Li Huang, who said that he would "definitely not become Minister of Economic Affairs as recommended by Premier Chang Chun."

"My head frequently aches," Li Huang said. "An American doctor had already advised me not to do any heavy work." This was understandable in view of the economic chaos prevailing throughout the country.

Another cause for Li Huang's refusal to participate in administering economic affairs was reportedly the fact that these affairs are not managed by the Economic Ministry under the new setup. Executive power in these matters has passed into the hands of the National Economic Council, the Central Bank of China and the National Resources Commission, all dominated by the KMT, it is said.

War Measures Continue

A PEIPING report carried by *UP* revealed that a stringent quasi "pao chia system has been instituted in that city, based on head-of-the-family responsibility. Families are divided into groups of five, with the head being responsible for the actions of all in his group. "Specially trained policemen would be responsible for the professions, incomes, expenditures, thoughts and changes of address of residents in their tuan (group)," *UP* said.

In Shanghai, conscription measures were being carried out. A citywide checkup on all Chinese able-bodied males between the ages of 18 and 45 started this week, according to *Central News*. This is a prelude to "the implementation of conscription laws." Training is to commence on January 1, 1948.

What Chinese Papers Say...

ALTHOUGH a number of Chinese papers continued to comment on international problems, the major part of editorial space during the past week was devoted to the worsening domestic situation, soaring prices and the inflation. A number of papers, particularly official organs, coupled with this comment their remarks on the occasion of May 1—International Labor Day.

* * *

LABOR

THE KMT organ, the *Chung Yang Jih Pao*, commenting on the internal situation and the labor festival, blamed all of China's current ills squarely on the "rebellion." In the course of the commentary, the paper mentioned the fact that "all privately owned factories, due partly to limited sales, partly to the high cost of production, either have been forced to close down or have found it difficult to carry on." The majority of the working men either have been thrown out of employment or scarcely have been able to eke out a bare existence, the paper said.

"Although we would like to carry out the industrial reconstruction program, the Communists have purposely disrupted communications and caused economic depression in the rural areas," the *Chung Yang Jih Pao* continued. Stressing that the living standards of the workers must quickly be improved, the paper urged "compatriots throughout the country to work together for the promotion of national reconstruction, now that constitutional democracy has already made a beginning."

The official General Labor Union paper, the *Lih Pao*, devoted its editorial to a clarion call to all workers to "eradicate all anti-peace and anti-democratic forces in the country and fight for a realization of national unity, democracy and freedom."

To achieve this, the *Lih Pao* said, the workers of China must:

(1) "Shatter the intrigue of the rebellion of the Communists and their satellites and do all we can to end the civil war which we are fighting against ourselves; and

(2) "Participate in the legislatures so as to fight for the legal status of the laborer and for a reasonable standard of living."

The KMT Army organ, the *Ho Ping Jih Pao*, the Peace Daily, vaguely countered the old Communist charge that the workers of the world had no fatherland. "The world today is one where the workers have their fatherland, and in China it is necessary for the workers to love their fatherland."

The paper urged the workers to hike production and aid the Government to "quell the rebellion and to beat down the Chinese Communists, who have been undermining production and harming the laborers of China."

Commenting obliquely on the same subject, the *Wen Wei Pao* termed the steady gaining rice prices the "real white terror." The paper expressed doubt of the Government ability to ration this staple commodity effectively. Reasoning: The Government has bought up enormous quantities of rice for the needs of 4,000,000 soldiers. To ration rice to the 5,000,000 people in Shanghai and Nanking more rice would have to be bought, which would naturally lead to "civil commotion."

The *Ta Kung Pao* writing on the subject of inflation and high commodity prices said that "Government agencies, including military organizations, have been buying large quantities of rice, and partial control measures will never be effective under these circumstances.

"The situation today requires an integral emergency economic plan and the fundamental solution lies in an increase of production, irrespective of the cost involved, including the production of agricultural products and those industrial products considered necessities," the *Ta Kung Pao* said.

* * *

DEMOCRATS

THE *Chung Yang Jih Pao*, noted the *Central News* dispatch pertaining to the capture of alleged Communist documents by Nationalist forces which, the paper said, revealed that a number of liberal and democratic organizations are actually "appendages of the Communists."

The paper took occasion to warn everybody, "at the top of our voice," not to participate in "so-called mass movements which have ulterior motives." This is necessary, the *Chung Yang Jih Pao* said, to prevent the "treacherous party's intrigues."

The *Wen Wei Pao*, writing on the same subject, said that if these charges are correct then, obviously, all these parties which have claimed to be peaceful, independent and lawful, are "all rebellious elements and military spies. They would then not be entitled to any protection under the provisions of the Constitution and the program of the new government regarding legitimate political activities.

"Even opposition elements in the Social Democratic party like Wang Shih-ming, Lu Kwang-sheng, Sun Pao-kang, and others, would be considered rebellious elements and military spies, whose crime would at least earn them dispatch to a concentration camp," the *Wen Wei Pao* wrote.

"We would like very much to hear the views of Messrs. Chang Chun, Carson Chang and Tseng Chi on this question," the paper concluded its editorial entitled "Trying To Exterminate Them All At One Stroke?"

Who's Who in China

GENERAL HO CHIEN, army officer government official; born at Liling, Hunan, in 1887; graduated from Paoting Military Academy; commander of 9th Brigade, 1920; commander, 2nd Division

Gen. Ho Chien

（何 健）字芸樵

of Nationalist 8th Army, 1926; commander of Nationalist 35th Army, 1927; chairman of Commission for Rehabilitation of Western Hunan, 1927; associate director-general for the pacification of Hunan Province, 1928; acting chairman of the Anhwei Provincial Government, 1928; commander, Reorganized 6th division, 4th Group Army and Chairman, Hunan Provincial Government since April, 1929; nominated member of the State Council, National Government, and concurrently commander-in-chief of Communist Suppression Forces in Kiangsi, Kwangtung, Fukien and Hunan, 1930; commander-in-chief of Government Forces for Pursuit of Communists, 1943; Commander-in-chief of 1st Route Army of Communist Suppression Forces since 1935; appointed director of Generalissimo's Headquarters at Changsha, 1936; Minister of the Interior, 1937; Chairman, Commission on Pensions, Military Council, since 1939; member, Central Executive Committee of Kuomintang, 1935; author of: "Universalism and Commonwealth," "Five Human Relationships and Eight Virtues," "Virtues of National Salvation," "The Spirit of China" and "Commentary Notes on Ta Sheh;" address: c/o Commission on Pensions, National Military Council, Nanking.

The faculty and staff of the University of Shantung have threatened to strike unless the Government raises their pay to the level prevailing in the Shanghai-Nanking area, *AP* reported from Tsingtao. They protested against the classifying of Tsingtao as a second class district "which means a corresponding decrease in pay. The faculty contended that the HCL in Tsingtao has been and still is as high as in "first class districts."

* * *

The China Silk Corporation made a profit of CNC$1,380,000,000 during 1946, and of this 70 percent has been deposited in the National Treasury, the *Sin Wan Pao* reported. Almost as much as CNC$80,000,000 has been paid by the concern in the form of direct and business taxes.

NEW BOOKS OF INTEREST

Reformer

CONTEMPORARY SOCIAL PROBLEMS *by Harold A. Phelps, Professor of Sociology, University of Pittsburgh. Published by Prentice-Hall, Inc., New York,* 1947. 845 *pp.*, US$5.35. *Reviewed by Urii Sdobnikov.*

THIS comprehensive volume covers practically all sides of the numerous social problems, starting with poverty and unemployment and ending with juvenile delinquency. A mass of quotations and bibliographical notes is adduced by the professor to illustrate his presentation of these problems, but this fact does not detract from the readability of the work. For any student of sociology Professor Phelps' work will be of inestimable value.

One may be inclined to disagree with the author on the manner in which he has classified his problems, e.g., Standards of Living under Specific Cultural Sources of Social Disorganization, instead of including them in the same chapter as Economic Sources. Insecurities of the Aged should also have gone under the economic section, and to a certain extent the chapter about the problem of Transients.

A very prominent omission on the part of the author is the use of the term capitalist society—he invariably terms it "industrial society." This places every kind of modern society in the same class and throws together the semi-socialist European economies in a bunch with "free enterprise" economies. And it is indisputable that the problems of poverty, unemployment, etc., differ in the two categories.

Professor Phelps makes no mention of the new type of economy organized in the Soviet Union, and neither does he intimate that he is aware of the existence of any form of economy other than the American one.

The author, for instance, says that "society tends to eliminate those who are unadaptable to its requirements," and also that "a population may be expected to have a minimum of about 16 percent in the dependent class and from three to nine percent among predatory or defective classes." This may be true of American society but is not necessarily true of other society such as that of Czechoslovakia, and Professor Phelps does not give figures to prove that his type of "society" is common to all "industrial nations."

The good professor makes a number of naive statements in the course of his otherwise penetrating analysis. For example, he sees a "riddle of poverty in its persistence in a world of increasing productive capacity;" "these newer approaches have not entirely eliminated a *general curiosity* as to the relationship between fluctuations in business conditions and variations in crime;" "society has reached a stage in productive efficiency wherein the labor of large numbers of persons in not required;" "social disorganization, division of labor, and specialization are branded as fundamental causes of unemployment," and many other assertions of this type.

The author's chapters on Poverty and Unemployment are excellent in their sufficiency of data and characteristics. The author's conclusions, however, belong to the anti-climax department of the *New Yorker.*

He also makes a few cynical statements, such as: "for steady work, the combination of youth and skill is the best unemployment insurance." The author is at times contradictory: on p. 141, he says: "Each particular insecurity, whether it is called economic or social points to the need for *sound planning* and efficient management in all phases of collective living." On p. 142, he says, however, that "stabilization of.....*private enterprise and competition*" are vital correctives to this insecurity. Furthermore, Professor Phelps subscribes to the school of "historical pessimists" when he says that "no society can avoid (products of economic and social insecurity) and at the same time preserve minimum standards of social well-being."

As said above, the conclusions arrived at by the author are to say the least, anti-climactic. After reading through his dissertation, which gives an impression of being an indictment of the kind of society we live in, Professor Phelps suggests that "the time has come for adequate action," and proposes as remedies to all the ills he has outlined, the very cures which have thus far failed to solve these problems.

Advice to the potential reader: note the author's facts, but draw your own conclusions.

West Accused

AM I MY BROTHER'S KEEPER? *by Ananda K. Coomaraswamy. Published by The John Day Co., New York,* 1947. 110 *pp.*, US$2.25. *Reviewed by Marion Barney.*

A more heartfelt indictment of Western civilization would be hard to find. Dr. Coomaraswamy is an Indian who has been living and writing in the United States for some 30 years.

Our materialistic civilization, based upon mass production and exalting the individual, is appalling to the author. In his opinion it has ruined those Eastern cultures it has reached with its determined proselytizing. He is not at all convinced that the peoples of the East would be benefited by our idea of a higher standard of living, based on quantity rather than quality. We have destroyed the principle of craftsmanship and lowered the dignity of labor. With our emphasis on literacy we have destroyed those folk cultures handed down through generations by the spoken word. Our imposition of our own education upon Eastern peoples has taught children to be ashamed of their parents and of their countries.

"Such are the fruits of 'civilization,' and the fruit betrays the tree. All that can only be atoned for by repentance, recantation, and restitution. Of these, the last is a virtual impossibility; the fallen redwood cannot be replanted. A traditional culture, however, still survives precariously in 'unspoiled' cases, and the least that we can say to the modern world is this: Whatever else you dispense in 'wars of pacification' or by way of 'peaceful penetration,' be good enough to reserve your 'college education' and your 'finishing schools' for home consumption. What you call your 'civilizing mission' is in our eyes nothing but a form of megalomania."

The author is much concerned with the problem of religion. He sees no excuse for the Christian belief that theirs is the only true path and that all others are wrong. To Coomaraswamy all religions are "paths that lead to the same summit," and he quotes many sources, Christian and otherwise, to that effect. It should be noted in passing that he fails to remark upon the fact that some religions other than Christianity have been characterized by this intolerance but the indictment of Christianity nevertheless cannot be ignored.

According to Coomaraswamy, Western culture took an unnatural and peculiar turning with the Renaissance, "For if we leave out of account the 'modernistic' and individual philosophies of today, and consider only the great tradition of the magnanimous philosophers, whose philosophy was also a religion that had to be lived if it was to be understood, it will soon be found that the distinctions of cultures in East and West, or for that matter North and South, are comparable only to those of dialects; all are speaking what is essentially one and the same spiritual language, employing different words, but expressing the same ideas..."

The style is clear and concise, to say the least. The author has employed the device of many quotations in order to emphasize the fact that his ideas are widely held. The book is scholarly without being faintly pedantic. In some of the articles, "we" is used at first, referring to Western man. As the author becomes more heated he switches to "you" with tremendous effectiveness.

To convince a product of Western culture that his civilization is quite so appalling as it is in Dr. Coomaraswamy's eyes is something of an uphill job. He has undertaken quite a project in 110 pages, and the reader may often be left with an outraged desire to stop and argue. There is scarcely a paragraph which would not seem a suitable hypothesis for a long and scholarly debate. Those who are interested in the social sciences will probably close the book, still unconvinced that the "common man" in the Orient is better off than in America, or that he was so before learning new wants from the Westerner. But to call the book "stimulating" is definitely an understatement; while the author does not claim that his ideas are original, they are presented with such force as not readily to be forgotten.

Zero

DAWN OVER ZERO, *The Story Of The Atomic Bomb, by William L. Laurence. Published by Alfred A. Knopf, New York,* 1946. 274 *pp.*, US$3.00. *Reviewed by S. E. Shifrin.*

WILLIAM Laurence of the New York Times was the only newsman to be present at the test of the atomic bomb—"Zero"— at Alamogordo, New Mexico, and was again the only one to cover the atomic bombing of Nagasaki. The story of the atomic bomb is here complete, except for the tests at Bikini, and it is valuable mainly as the story of an eyewitness, who was also permitted to visit some of the plants engaged in manufacturing materials for the bomb.

Readers who feel that old throbbing at the temples when trying to follow even the popularized explanation of the atomic bomb can turn to the exciting story of how a heavy-water plant was destroyed in Norway to hamper German work on the atomic bomb.

The story that Laurence tells deals also with the stupendous research and engineering efforts which were exerted to arrive at the A-bomb, and gives some idea of the scale on which the plants were built. The figures he uses prove again that the human mind is incapable of realizing the magnitude of figures after they have reached a certain point.

The author warns the public against expecting immediate applications of atomic energy to take the place of oil and coal. He foresees more important uses for it, which can only be glimpsed at present. An A-bomb omnibus should not be long in coming, and the story that Laurence has told will most certainly be included.

Spring is here

CALTEX

TIME TO GIVE YOUR

MOTOR

A GOOD SPRING CLEANING

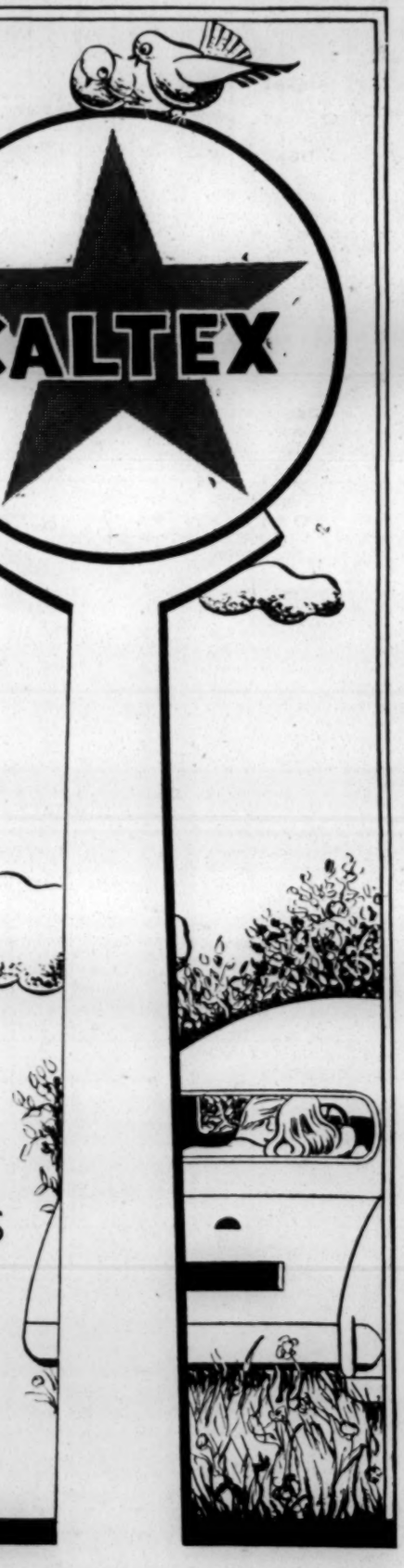
★ *The wise Motorist*

WILL NOT BE SATISFIED WITH JUST CHANGING FROM A **WINTER OIL** TO A **SUMMER OIL** FOR COMING HIGHER TEMPERATURES.

★ *Drive to a*

CALTEX STATION FOR A COMPLETE **MARFAK** LUBRICATION JOB, TOO.

★ *It will pay dividends*



CALTEX SERVICE STATIONS

• 1052 BUBBLING WELL ROAD	TEL. 36361
• 786 AVENUE JOFFRE	TEL. 68936
• 363 AVE DU ROI ALBERT	TEL. 73673
• 668 AVENUE FOCH	TEL. 66075
• 240 HONAN ROAD	TEL. 14868
• 1861 RUE PROSPER PARIS	TEL. 68849
• 942 YU YUEN ROAD	— —

THE TEXAS CO. (CHINA) LTD

WHEELOCK BLDG SHANGHAI

NANKING-SHANGHAI LINE
TIME TABLE

73	4	76	6	8	78	2	10	12	16	TRAIN NO.	1	5	7	7	71	3	9	11	75	77
"Tai Hu" Express	I, II Triumph Exp.	II, III Local	I, II III Exp.	I, II Exp.	II, III Local Exp.	I, II Nanking Throu. Exp.	I, II III Night Exp.	I, II Night Exp.	I, II III Night Exp.	STATIONS	I, II Hangchow Throu. Exp.	I, III Exp.	I, II III Exp.	I, II Exp.	"Tai Hu" Express	I, II Triumph Exp.	I, II III Night Exp.	I, II Night Exp.	II, III Local	II, III Local Exp.
6.40	7.00	7 30	9.00	11.00	12.15	13.30	21.50	23.00	23.30	D SHANGHAI NORTH A	14.45	16.25	18.25	19.35	22.20	22.45	6.35	8.00	10.25	17.10
		8.55	10.16	12.14	13.48		23.27		0.56	D KUNSHAN D		15.24	17.09	18.22			5.28		8.34	16.05
	8.41	9.42	10.57	12.57	14.29	15.17	0.20	1.06	1.43	A SOOCHOW D	13.06	14.33	16.23	17.36	20.31	21.06	4.31	5.39	7.10	15.19
8.31	8.48	9.49	11.08	13.04	14.36	15.26	0.27	1.13	1.55	D SOOCHOW A	12.59	14.19	16.17	17.23		20.58	4.32	5.19	7.04	15.09
9.25	9.36	10.45	11.57	13.55	15.36	16.14	1.22	2.08	2.50	A WUSIH D	12.11	13.24	15.14	16.29	19.35	20.10	3.39	4.26	6 00	14.10
	9.42		12.06	14.02		16.23	1.29	2.15	3.00	D A	12.04	13.18	15.08	16.21		20.03	3.33	4.19		
	10.31		12.59	15.03		17.09	2.27	3.13	4.05	A CHANGCHOW D	11.17	12.22	14.05	15.20		19.16	2.35	3.30		
	10.40		13.08	15.15		17.19	2.37	3.25	4.13	D A	11.06	12.09	13.55	15.08		19.06	2.24	3.20		
	11.38		14.00	16.13			3.56	4.29	5.16	A TANYANG D		11.09	12.41	14.05		18.12	1.07	2.03		
	11.41		14.03	16 17			4.00	4.33	5.20	D A		11.05	12.37	13.55		18.03	1.02	2.00		
	12 18		14.40	17.01		18.46	4.46	5.18	6.02	A CHINKIANG D	9.32	10.28	11.44	13 07		17.23	0.09	1.07		
	12.25		14.45	17.17		18.53	4.55	5.27	6.09	D WEST A	9.24	10.21	11.38	12.59		17.15	23.56	1.00		
	13.55		16.10	18.50		20.20	6.30	7.15	7.50	A NANKING D	8.00	9.00	10.00	11.00		15.45	22.00	23.00		

FARE LIST

STATIONS	Kilo.	I Class Ordinary Express		II Class Ordinary Express		III Class Ordinary Express		"Triumph" Express, Nanking & Hangchow Through Expresses I	"Triumph" Express, Nanking & Hangchow Through Expresses II	"Tai Hu" Express
SHANGHAI N. TO:—										
KUNSHAN	52	4,000.	10,000.	2,000.	5,000.	1,000.	2,500.			
SOOCHOW	87	8,000.	10,000.	4,000.	5,000.	2,000.	2,500.	19,500.	10,500.	20,000.
WUSIH	129	10,000.	12,000.	5,000.	6,000.	2,500.	3,000	19,500.	10,500.	20,000.
CHANGCHOW	168	14,000.	16,000.	7,000.	8,000.	3,500.	4,000.	19,500.	10,500.	
TANYANG	213	16,000.	20,000.	8,000.	10,000.	4,000.	5,000.	30,000.	16,500.	
CHINKIANG WEST	243	18,000.	22,000.	9,000.	11,000.	4,500.	5,500.	30,000.	16,500.	
NANKING	312	24,000.	28,000.	12,000.	14,000.	6,000.	7,000.	30,000.	16,500.	

SHANGHAI-HANGCHOW LINE
TIME TABLE

23	21	61	67	25	1	41	27	TRAIN NO.	24	42	2	68	26	22	62	28
I, II III Exp.	West Lake Exp.	II, III Ord.	IV Mixed	I, II III Exp.	I, II H'chow Throu. Exp.	II, III Ord.	I, II III Exp.	STATIONS	I, II III Exp.	II, III Ord.	I, II N'king Throu. Exp.	IV Mixed	I, II III Exp.	West Lake Exp.	II, III IV Ord.	I, II III Exp.
6.45	8.00	8.15		11.30	16.00	16.15	22.45	D SHANGHAI NORTH A	9.15	12.15	12.35		18.55	20.05	22.30	23.30
7.05	8.16	8.36	9.00	11.53	16.19	16.36	23.06	D SHANGHAI WEST D	8.58	11.55	12.20	17.20	18.37	19.49	22.13	23.12
7.49		9.46	10.29	12.38	17.03	17.46	23.50	A D	7.51	10.44	11.26	15.20	17.48		21.00	22.16
7.54		9.56	10.40	12.43	17.08	17.51	23.55	D SUNGKIANG A	7.47	10.38	11.21	15.22	17.39		20.54	22.11
9.02	10.02	11.40	12.50	13.50	18.16	19.23	1.06	A D	6.35	9.04	10.13	13.10	16.20	17.54	19.25	21.00
9.16	10.08	11.50	13.15	13.58	18.26	19.33	1.16	D KASHING A	6.28	8.55	10.04	12.45	16.11	17.47	19.12	20.50
10.00		12.33	14.52	14.32	19.01	20.16	1.50	D YEHZAH D	5.56	8.14	9.31	11.53	15.39		18.29	20.18
10.31		13.18	15.56	15.04	19.32	21.01	2.21	A CHANGAN- D	5.23	7.27	8.58	10.40	15.06		17.42	19.34
10.36		13 26	16-10	15.11	19.37	21.06	2.26	D TSENG A	5.19	7.22	8.54	10.27	15.02		17.37	19.27
11.30	11.55	14.45	18.10	16.20	20.30	22.20	3.25	A HANGCHOW D	4.25	6.10	8.00	8.30	14.00	16.00	16.25	18.25

FARE LIST

STATIONS	Kilo.	I Class Ordinary Express		II Class Ordinary Express		III Class Ordinary Express		"Triumph" Express, Nanking & Hangchow Through Expresses I	"Triumph" Express, Nanking & Hangchow Through Expresses II	"West Lake" Express
SHANGHAI N. TO:—										
SUNGKIANG	45	4,000.	10,000.	2,000.	5,000.	1,000.	2,500.	19,500.	10,500.	
KASHING	99	8,000.	10,000.	4,000.	5,000.	2,000.	2,500.	19,500.	10,500.	15,000.
YEHZAH	126	10,000.	12,000.	5,000.	6,000.	2,500.	3,000.	19,500.	10,500.	
CHANGANTSENG	151	12,000.	14,000.	6,000.	7,000.	3,000.	3,500.	19,500.	10,500.	
HANGCHOW	190	14,000.	18,000.	7,000.	9,000.	3.500.	4,500.	19,500.	10,500.	25,000.

NANKING-SHANGHAI RAILWAY SYSTEM ADMINISTRATION

Printed by THE MERCURY PRESS